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Due to customer demand, FBIS plans to begin publishing statistical material from Russia and other independent states of the former Soviet Union in the FBIS Daily Report: Central Eurasia (FBIS-SOV series) as a weekly Supplement titled "Economic Review." Statistical material now appearing in the FBIS Report: Central Eurasia (FBIS-USR series), which has a smaller circulation, will temporarily be double-published in both reports through 28 September. Economic material which refers to policy issues rather than statistics will continue to be published in the FBIS-USR series, pending further review.

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Daily Report
Central Eurasia

FBIS-SOV-94-189

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INTERFAX Interviews Regional Leaders

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[Text] SHUMEYKO TELLS OF HIS TALK WITH LANDSBERGIS

VLADIMIR Shumeyko, 49, returned from a recent visit to Lithuania. He has on numerous occasions been interviewed by Interfax-Exclusive. He was an RSFSR people's deputy and later a deputy chairman of the Russian Supreme Soviet. Shumeyko was appointed first deputy prime minister of Russia in 1992. He was elected to the Federation Council in the Kaliningrad Region in December 1993 and elected the upper house's chairman at its first session. He is interviewed by Interfax's Konstantin Katanian.

INTERFAX: You met with all Lithuanian leaders but your talk with the right wing opposition leader Vytautas Landsbergis was the longest. Why?

Shumeyko: Before all, the very fact that civilized opposition exists in Lithuania is quite an achievement in itself. Lithuania is one of the few former Soviet republics where the opposition can operate openly and freely. Quiet exchange of views between different political factions on any issue is a feature of a civilized state.

The talk Landsbergis and I had was very exciting in that we advanced different views on various subjects.

We discussed Lithuania's internal problems which acquire an international dimension when they have a bearing on Russia's interests.

One of the issues was the transit of military cargo across Lithuania to the Kaliningrad Region.

The opposition believes that if Vilnius signs an agreement with Moscow on this transit, then Lithuania will be in some way involved in Russia's global strategic designs and this involvement will be documented.

I told Landsbergis that it was very difficult to tell military cargo from foodstuffs, clothing and other vital supplies to people in uniform.

We have to keep the Russian units in the Kaliningrad Region supplied on a regular basis rather than seek a clearing for every consignment. I believe that if we do sign such an agreement, Lithuania will be able to keep an eye on what the units receive from Russia. Furthermore, the Russian military presence there is shrinking, not expanding. For this reason the agreement has to specify the number of personnel, the amounts of hardware and the timing and conditions of the transit.

Neither was probably convinced by the other but we at least exchanged views and tried to understand each other.

Q.: Did you come to an understanding with the right-wing opposition on other issues?

A.: I am convinced that meetings and talks such as we had are very useful. One of the issues we discussed was the Lithuanians who had been kept in Stalin's camps. These elderly people must be helped in repatriating by, say, paying for the transportation of their baggage. It was easy to come to an understanding on this issue because human rights are indisputable under the Russian constitution.

We established common ground on transfer of KGB files to Lithuania. Special bilateral commissions are working on this issue. If an inter-government agreement is reached, I will press for its ratification in my capacity of the Federation Council chairman. In such delicate matters we have to meet our partners more than halfway.

Indeed, Landsbergis and I talked for more than an hour. What else do we have in common with the Lithuanian opposition? Above all, Russia was the first to support the Sajudis and Lithuania's quest for independence when the newly elected deputies of the Russian Supreme Soviet recognized Lithuania's independence. This was not an easy thing to do. Since that time Landsbergis has a liking us. Such events are not easy to forget. He said that he kept a copy of Yeltsin's address which had been distributed outside the besieged parliament building in Vilnius on January 13, 1991.

In other words, we had and have now common ground in our work for a democratic change, even though we may disagree on specific ways to achieve this.

Q.: Does the opposition believe that Russia is likely to send its troops to Lithuania again?

A.: I think I succeeded in persuading Landsbergis that the Russian army units in the Kaliningrad Region do not threaten the sovereignty of the Lithuanian Republic.

I told him that the Russian military contingent there is continuously reduced. It does not exist for the purpose of committing any aggressive steps. I tried to convince Landsbergis that if there is any threat to Vilnius, its source is not in the Kaliningrad Region.

Modern warfare does not require face to face contact of the warring parties, I told him, and so the Baltic Fleet and the army units there pose no threat to Lithuania.

Despite our differences we agreed that the Kaliningrad Region was Russian territory and the number of troops there was a Russian internal affair.

Landsbergis also agreed that the Kaliningrad Region could not be separated from Russia and the Russian legislation had to apply there.

Q.: Whom, then, does the Russian army group harm?

A.: Both the Lithuanian and Russian opposition voiced concern that the presence of troops in the region obstructed business. I tried to prove that the reverse was true.

Indeed, the presence of Russian troops there cannot obstruct entrepreneurship. Landsbergis agreed with this. Expansion of Lithuanian and Russian business, the setting up of large joint financial and industrial groups with their own banks and insurance companies are not obstructed by our troops.

Numerous businessmen would like to invest in that region. Germany would do so but for its tremendous expenses on development of its eastern laender, or the former GDR.

But once the economy of those parts of Germany improves, much German capital would look for new markets. If we, I mean Russia and Lithuania, do not have our financial and industrial group in place, the expansion of foreign capital would be hard to resist. One should understand where one's strategic and economic interests are. Landsbergis and I agreed that economics had to be given priority over politics.

TRADE UNIONS GET A SERIOUS COMPETITOR

The Russian Deputy Labor Minister VLADIMIR VAROV, 47, was recently appointed the Chief Government Labor Inspector by a presidential decree. He also heads the Federal Labor Inspectorate now being set up under the Labor Ministry. He was interviewed by Tatyana Shilina of Interfax.

INTERFAX: What can you say about your agency?

VAROV: On May 4 President Boris Yeltsin signed a decree on the formation of the Federal Labor Inspectorate under the Labor Ministry for government supervision and control over the observation of the legislation on employment and labor protection. Inspectors checking labor protection constitute 90% of the service.

Q.: What prompted the formation of the inspectorate?

A.: It is an open secret that the current situation in the sphere of labor rights and liberties is disastrous. Our employees have practically no legal protection in their relations with employers. I am not speaking of abstract protection formally offered by law but the actual state of affairs. Therefore the main purpose for which the inspectorate is formed is to practically protect concrete people, their labor rights and liberties.

The formation of Labor Inspectorates has begun in 40 regions. The duties of government inspectors include the protection of an employee from unlawful moves by his employer, control over the observation of safety norms, the prevention of occupational injuries and studies of their causes.

Q.: What rights does a government inspector enjoy? What is the subordination line?

A.: A government inspectors is subordinate only to the law. He does not have any other bosses telling him what should be done. In each region there will be a chief inspector coordinating the efforts of all other inspectors. A government inspector can freely enter any industrial facility whether it be private, government-owned or classified. If he discovers any violations, his orders are obligatory for any employer.

For instance, he might demand the suspension of the operation of any production unit from a machine-tool to a plant which violates the labor protection legislation on a large scale. An inspector can demand court protection of a concrete worker and even launch criminal proceedings against any stubborn boss or manager. I would want to stress that no one has the right to cancel the decision of an inspector, if he has not broken the law. If his decision is overruled, the inspector can appeal to court.

Q.: Don't you think that such broad rights and complete independence can lead to the abuse of power and general bribe-taking by inspectors?

A.: But how? The performance of each inspector is appreciated only according to results: the number of companies checked, closed, fined, the number of cases submitted to court and what is most important the number of concrete people protected. It is not enough to come, see and leave. Deceit is impossible here. The very fact of an inspector's appearance cannot be concealed. Besides, my man - the chief inspector in a region - will know where his inspectors are any moment.

If an inspector comes to me and says he found nothing wrong, my answer will be: That is absolutely impossible. We do not have such ideal companies.

Let me give you the Komi republic that has had such a service for half a year as an example. In six months 350 plants have been checked and their directors were given 350 recommendations on removing breaches of the labor code. The operation of 13 sections and workshops was suspended. Three managers were dismissed. 64 directors or managers were fined millions of rubles: in any case they will have to pay from their own earnings.

I will not stop at conducting an investigation or asking colleagues from law enforcement bodies to find out what an inspector has been doing. I am convinced that the honest work of our inspectors is guaranteed.

Besides, we will not employ just anyone and the criteria of selection will be strict: professionalism, honesty and competence. Finally, with the present tragic situation in labor relations people are interested in a more reliable government structure. We will encourage their interest in every way with good salaries and social security. Do not forget that their work will also be dangerous. In the future I would want to arrange matters so that it would be more profitable for our inspectors to work honestly than to take bribes.

Q.: So your agency will actually perform the duties of trade unions. Do you plan to take away their piece of cake?

A.: The unions have failed to protect workers, so time has come for new people to do the job. But by no means do we think of blocking the efforts of the unions or dispersing them. We are interested in the unions finally getting down to their duty of offering concrete help to their members.

I will have 5000 inspectors for 150 million people, which means the Labor Inspectorate is simply unable to restore full legal order in the country alone. On the other hand, I have no right to inflate a government institution. By the way, for that reason our agency is being set up under the Labor Ministry.

I am directly interested in keeping the unions but at a qualitatively new level.I want the unions to keep their inspectors and exercise public control over the observation of labor legislation. In this respect I will only help them - a union inspector can turn to us for help. The best thing would be if the two systems strengthened each other. Then labor rights would be protected not by five or ten thousand people, but society itself would be organized so as to protect itself through the government machinery and trade unions. I dislike trade union bosses who only talk and live at the expense of the people.

Q.: In other words, with the formation of your service the future of the unions is going to depend on them.

A.: There is no other alternative. We are not taking anything away from the unions. Why is there such an exodus from the unions now? People see no sense in remaining members as they do not get any practical protection or help. If the unions change, they are not doomed. We are no problem, the problem lies in the unions and their relations with people. No one can disperse or strengthen the unions but they themselves. Russia now has over 90 trade unions. Objective conditions for a giant trade union movement are disappearing. The reduction of union numbers will only strengthen them.

ILYUMZHINOV LIKELY TO RUN FOR PRESIDENCY IN KALMYKIA

In an exclusive interview with Interfax, President of Kalmykia KIRSAN ILYUMZHINOV analyzes the results of the year that has passed since the tragic events in Moscow in September and October 1993, and prospects for Kalmykia's political and socioeconomic development.

INTERFAX: You were a witness and to some extent participant in the confrontation in September and October 1993. How would you assess those events?

ILYUMZHINOV: If you remember, with Ingush President Ruslan Aushev and the leaders of other republics of the Russian Federation I was performing a peace mission. I believed then and am convinced now that the two branches of authority could come to terms. I told Boris Yeltsin recently that I have not changed my attitude to the events in September and October, and I still believe that a crime was committed against the people and that Decree No.1400 was anti- constitutional. Incidentally, none of the deputies or those who issued orders suffered during that confrontation. It was the people that suffered the worst. The involvement of the people in conflicts between the upper echelons of powers is inadmissible. If there are contradictions, they must be settled the way we did settle our problems in 1992, when the Kalmyk parliament voluntarily resigned.

Q.: The political circles are actively discussing the possibility of changing the date of presidential and parliamentary elections. Many argue that the powers of the president and parliament should be prolonged and that simultaneous presidential and parliamentary elections be held. What would you say about this?

A.: All of these arguments are non-motivated and unacceptable. I think that parliamentary and presidential elections must be held at the earlier fixed date.

Q.: There are rumors that you, too, would like to join the presidential race.

A.: They are untrue. In 1998 I will champaign for the presidential post in Kalmykia again. I must continue my work in my republic, the more so, since signs of improvement are making themselves felt. We have concluded a series of important agreements with Kenya, Germany, Holland and the U.S. i would like to make further efforts to enhance the population's living standards and Kalmykia's prestige. We have succeeded in improving our republic's international image. I was invited to the U.S. not long ago.

I think that Kalmykia may set the tone for all of Russia's republics. We were the first to create a parliament that meets the European standards and to adopt a trade code, and our example is being followed by other republics. The election law which we adopted recently is being studied by the Russian leadership, and I will not be surprized if the center will use our experience during the drafting of the federal election law.

Q.: What's the essence of the Kalmyk election reform?

A.: First, one third of the deputies will be elected from an all-republic list by the president's proposal. This will help avoid ethnic discrimination, and the domination of men or business people in parliament. Second, we have established the candidate's duty of at least 100 minimal wages, i.e. more than 2 million rubles. So, some will have to think hard before joining the election race. You know, previously, many would seek election for the mere purpose of becoming known.. And third, our elections are based on the principle of nomination in the home residential regions. So we have done away with the practice whereby deputies represented the interests of a community they have never seen.

Q.: Not long ago, you visited Chechnya. How realistic is the Russian leadership's approach to the confrontation between Dzhokhar Dudayev and the opposition?

A.: I know the situation in Chechnya and I can state that if Dudayev is removed by force, we shall get confronted with a second Tajikistan. Dudayev is the most authoritative figure in Chechnya. We managed to find a common language with Dudayev whatever you may think about him. A civil war in Chechnya is playing into he hands of those of the Russian officials who are trying to benefit from the conflict.

OPPOSITION PARTY IS FORMED IN KALMYKIA

At the end of last summer the law on political parties was published in Kalmykia, a small republic in the lower reaches of the Volga. As under the law a registered political party should have a membership not less than one percent of the population (3600 at the moment), only one Kalmyk organization, the People's Party, can clear that barrier. Interfax has interviewed the chairman of its organizing committee ALEKSANDR LEGZHENOV, 45, the former director of a state farm and meat-packing plant, currently the head of a private company. During the presidential elections in April 1993 he supported the main rival of the current head of state General Valeriy Ochirov. In the opinion of several influential analysts, Kalmykia is one of the 11 regions of Russia where a wave of social and political tension is possible this autumn.

INTERFAX: When did you start forming your own party?

LEGZHENOV: After the Kalmyk President Kirsan Ilyumzhinov published the Steppe Regulations, we started working to form a party. That was last March. We canvassed in the provinces and in the capital Elista. According to estimates, we have some 4000 supporters today. The deadline for registration and the submission of lists of members is September 27. I think that we will draw our lists by that time. The core of the party is formed by those who disagree with the policies of the president and all of them share my views.

Q.: Will it be formed as an opposition party?

A.: Judging by the developments in the republic we have nothing left than to assume an opposite stand to the leadership. We want to come to power because the policies of the president and his associates have brought the republic to economic difficulties. We disagree with this strategy. Ilyumzhinov says one thing on Russian television, but the actual state of affairs in Kalmykia is different. People live in poverty. In the countryside people have not been getting their earnings for three or four months even though they amount to 30,000-40,000 rubles a month (about $20). The backbone of the Kalmyk economy—livestock farming—is falling apart. In a while we will be left without agriculture.

Q.: How does your party intend to come to power?

A.: We have our own program and party rules for that. The program names ways of overcoming the economic crisis in the republic. The policy that is now being pursued, the pauperization of the people stem from the ambitions of one person - Kirsan Ilyumzhinov. We think that with the adoption of the Steppe Regulations Kalmykia lost part of its state powers and we are determined to come to power in a democratic way, through parliamentary elections scheduled for October.

Q.: What is the political orientation of the People's Party?

A.: Our approach to economy, private property, a free market differ greatly from the Communist one. By the way, our aspirations largely coincide with the declarations of President Ilyumzhinov. What he says is not what he does. Sometimes we are compared to the Agrarian Party. It is true that Kalmykia is a farming republic. And probably farming problems should be resolved first. But we want to attract a growing number of intellectuals to our party.

Q.: You refer to yourself as the People's Party. Does it mean that you rely on the people?

A.: Our door is open to any citizen of Kalmykia, no doubt. On Mondays the organizing committee holds meetings and discusses preliminary reports. Evidently at the end of September we will organize meetings in the provinces, elect delegates to the founding conference and prepare for registration. I would want to stress that it will be a purely local party determined to participate in parliamentary elections and work for the election of a new president.

Q.: Will the member of the Russian State Duma Bembia Khulkhachiev join your party? Will your party functionaries get a salary?

A.: Yes, we count on Khulkhachiev being with us. At the moment the party staff of three persons is working free of charge, but immediately after the founding conference they will get paid. Besides, in each of the 13 provinces there will be one appointed head of party chapter.

Q.: How do you intend to support the party?

A.: There are several businessmen who are ready to support the party by donations. By the way, there are many companies sympathizing with us that are forced to work outside Kalmykia. In the future party rules we suggest using any forms of economic activities not prohibited by law.

ITAR-TASS Carries Press Review for 29 Sep

LD2909061294 Moscow ITAR-TASS in English 0537 GMT 29 Sep 94

["Press Review"—ITAR-TASS headline]

[Text] Moscow September 29—The Estonia ferry tragedy in the Baltic Sea is the principal topic in Thursday's editions of newspapers which run detailed reports on the disaster which claimed a toll of hundreds of human lives, come forward with their own versions of the causes why the craft sank, and wonder how a modern liner could founder within several minutes.

KOMSOMOLSKAYA PRAVDA remarks in this connection: in order to sink such a huge modern craft as the Estonia ferry, one would need to open kingstone valves, at least. This is a major peace-time disaster in the Baltic Sea, points out PRAVDA.

IZVESTIYA, writing about Russian President Boris Yeltsin's visit to the United States and his talks with the U.S. leadership, points out that "our president feels at home in America".

The newspaper emphasises that the results of the Russian president's visit refuted assertions by sceptics who believed that "an era of breakthroughs in Russian-U.S. relations has gone because conflicts, brought on by ideological confrontation, have been settled while divergences of opinion, prompted by the objective difference of national interests, are only brewing, and the two sides have not yet come to realise them well enough and have not yet verbally formulated them".

NEZAVISIMAYA GAZETA lays emphasis on President Yeltsin's UN address, pointing to the vividness of his speech and the well- argumented nature of his proposals. The newspaper believes that "the Russian president when delivering his first speech at the UN General Assembly session, outperformed his U.S. counterpart."

PRAVDA writes that "the Russian president's claims give rise to mixed feelings" among the leaders of western countries. Under this headline, the newspaper carries a column of reports by news media of various countries commenting on the Russian president's visit to America.

IZVESTIYA and KOMSOMOLSKAYA PRAVDA provide their pages for articles by Yegor Gaidar, one of the main characters in the tragic Autumn of 1993, who shares his thoughts about the causes and lessons of the events of October 3-4 of last year, which led Russia, as he put it, on the verge of a civil war.

"To contravene the Constitution is not a legitimate act. To raise an armed mutiny is a crime. To suppress a mutiny, naturally, by using force, is a legitimate act. Not words, but the behaviour of the people during the current unprecedentedly calm year show that huge masses of people reason and feel precisely in this way," Gaidar writes in KOMSOMOLSKAYA PRAVDA.

TRUD reports that "defaults of payments are, with good reason , regarded as the principal woe of our society. More than 40,000 enterprises, firms and organisations of all forms of ownership have run into debts.

Reportage on Summit Talks With United States

Clinton Invited to 9 May Celebration

LD2809161094 Moscow Radio Rossii Network in Russian 1100 GMT 28 Sep 94

[Text] Russian President Boris Yeltsin is continuing his official visit to the United States. Today he will hold talks on trade and economic questions, after which there will be an informal meeting with representatives of business circles from the two countries. A ceremony for the signing of joint documents is scheduled for this afternoon. The most important of these documents is the declaration on partnership for economic progress.

A reception was given yesterday in honor of the Russian president. Here is an extract from Yeltsin's speech:

[Begin Yeltsin recording] Almost three years ago the United States and Russia took the first uncertain steps toward rapprochement. By the standards of political history, such a period is too short. Considering everything that has happened during those years, however, I think one can say that—as far as Russo-U.S. relations are concerned—they are equivalent to an entire epoch. Naturally, the two presidents, Bill Clinton and myself, have had to do a great deal of work. We have had to show a lot of patience and, of course, love for our peoples and, unquestionably, for all mankind and for peace, in order to set up a partnership that would guarantee security for the entire world—not just for today's generation but for future ones.

I remember my first official visit, when the words help us and render assistance were predominant. Today our conversation began with me saying that we do not need aid. I said: Let us trade with each other on equal terms. Let us carry out major projects and invest in Russia in a way that will undoubtedly be advantageous for businessmen, companies, and for the United States as a whole. Let us live and work on equal terms.

As president, I find it easy to work with Bill Clinton. This does not mean that he makes concessions on many questions. Of course, that is not so. If we disagree on something, we very painstakingly and persistently seek a compromise that will suit both sides. Already today we have resolved a number of questions that affect all mankind.

The great anniversary of the victory over fascist Germany will fall on 9 May next year. Today the president and I met veterans, both Russian and American. Huge celebrations will be held in our country. A colossal memorial complex will be opened at Poklonnaya Gora. In the presence of all these witnesses, I wish to invite President Bill Clinton and a U.S. delegation to attend those celebrations in Moscow on 9 May. [end recording]

Yeltsin Meets Congress Leaders

LD2809181994 Moscow ITAR-TASS in English 1758 GMT 28 Sep 94

[Text] Washington September 28 TASS—Russian President Boris Yeltsin met on Wednesday with the U.S. Congress leaders and American lawmakers.

Speaking to journalists after the meeting, Yeltsin said "This is not the first time I meet in this hall with representatives of the legislative branch of power of the United States of America, the majority of whom I know as much as the members of our own, Russian, Parliament. Like last time, we had a very lively and interesting meeting. I told them about how things are in Russia and how the talks are moving. Our understanding has improved. I feel very comfortable with this audience of senators and congressmen."

Senate Democratic Leader George Mitchell said they had a very informative meeting with President Yeltsin and discussed relations between the two countries.

Asked about Russia's attitude toward the calls in the U.S. to lift arms embargo on Bosnian Moslems, Yeltsin said that Russia does not approve them. "I believe that this will cause a new spiral of war, new streams of blood and new victims. We cannot allow this to happen. The Bosnians themselves believe that it is necessary to wait for another six months," he said.

Commenting on the situation around North Korea, Yeltsin said "we dwelled at length on this topic with President Clinton during our one-on-one meeting. We came to the conclusion that jointly we can resolve this deadlock."

Yeltsin Comments on Summit Day 2

LD2809200994 Moscow Ostankino Television First Channel Network in Russian 1800 GMT 28 Sep 94

[From the "Novosti" newscast]

[Excerpts] [Announcer Nelli Petkova] Today is the second day of the official visit by Russian President Boris Yeltsin to the United States. The main event of the day—the signing of the Partnership for Economic Progress declaration—will take place in the afternoon, Washington time. Our correspondent Sergey Goryachev reports on the latest developments at the summit. Washington is on the line:

[Goryachev] Good evening, Moscow. It is 1400 in Washington, and we are just in the middle of the second—most decisive—day in the Russian-American summit. An important event—the signing of the Russian-American documents and a joint news conference by the two presidents—will take place in approximately one hour's time. We will be there, and you will receive a full report.

President Yeltsin had a meeting this morning with U.S. congressmen. In accordance with the Constitution, the U.S. Congress is one of the independent branches of power. Congressmen have great influence on the country's policy, and they are often in opposition to Clinton. The meeting with the Russian president, held in an informal atmosphere, was friendly.

[Begin Yeltsin recording] It is not the first time that I have been here, in this hall, meeting representatives of the legislative power of the United States of America. I now know the majority of them by sight—as I said—no less than I know members of my parliament—the Russian parliament—by sight. Like the last time, we have had a very lively and interesting meeting. I told them how things are proceeding with us and how the talks are proceeding. On the whole, the understanding that we have now firmly achieved gives me grounds for saying that I feel very, very comfortable with this audience of senators and congressmen. [end recording]

[Goryachev] The Congress is stepping up its pressure on Clinton in an attempt to have the embargo against Bosnia lifted. It now understands that it will have to deal with Russia as well, and the latter is against it.

[Begin Yeltsin recording] Russia's position is negative because I am convinced, I am sure—I am simply convinced within myself—that this would mean a fresh spiral of war, fresh bloodshed, casualties, and people's deaths. This should not be allowed. [end recording]

[Petkova] Russia's influence on the United States is not just in politics and not just from Moscow, but via Alaska, as our correspondent Yuliya Rakcheyeva reports:

[Rakcheyeva] Today, the Presidents of Russia and the United States of America opened an exhibition in the U.S. Library of Congress: The Russian Church and Local Culture in Alaska. The exhibition mainly reflects the influence of the Russian Orthodox Church on that region and on America as a whole. [passage omitted]

According to Bill Clinton, Russian themes run through the music and literature of the American classics. President Yeltsin drew the attention of those present to another issue.

[Begin Yeltsin recording] We have, of course, some super radicals—especially coming from such not very pleasant houses—who say: Let's demand that Alaska should be returned to Russia. That is, of course, not serious. It is a fundamental part of the United States of America, and we are just proud that at the initial stage of the history of that area, of Alaska, Russians made some kind of contribution to it. [end recording] [passage omitted]

Yeltsin Speaks at News Conference

LD2809224294 Moscow Russian Television Network in Russian 1930 GMT 28 Sep 94

[President Boris Yeltsin's remarks at President Bill Clinton- Boris Yeltsin joint news conference at the signing of the U.S.- Russian Agreement in Washington—live]

[Text] Ladies and gentlemen: First of all, I would like to express great gratitude to President Bill Clinton and his spouse, Hillary Clinton, to the American people, and to you journalists for the warm reception, for the very good conditions that were created for our very difficult and fruitful work.

We always begin a news conference by saying that we have done a great deal of work, and I cannot but use this terminology this time, too, since... [aide hands Yeltsin a piece of paper]—good lad! Thank you—work really has been done and if, let us say, it was planned that our first one-on-one meeting was to last 30 minutes, it really lasted three hours! So you can judge how many questions we discussed and what the subject was.

The talks have ended, although I still have to make a trip to Seattle, where I want to get to know the West—I have never been [one-second break in transmission] on the west coast of the United States—and to get acquainted with the Boeing firm, with Seattle, and, on the whole, with what Americans are like there on that side of the United States, with how they live, with what they look like, and how they work. [laughter in audience]

Of course, Bill and I know each other well as interlocutors, as partners in talks, and all the more so since we made preliminary preparations, called each other on the telephone, and exchanged letters. So we literally began our work practically from the very first words to ensure that our partnership would be a pragmatic one and not just for effect, and, of course, we reached agreement on that at once.

I am sure that neither Russia nor the United States needs steep turns in bilateral ties, which the spirit of the whole of mankind, of the whole world, have sometimes been seized by. The future does not lie in stormy bumps, but in reliability and predictability—that is to say, in a business-like and pragmatic style.

I said those words, of course, and Bill has now confirmed them, saying that the United States is not the easiest of partners. But hang on, what family never has disagreements that cannot easily be sorted out? It is the same with us, our two enormous... our almost two billion-strong family also has its different ways of doing things. But the most important thing is to be able to listen, to be patient, to display humanity and respect to each other. When that happens, we can always find a solution. To keep these introductory word brief, I wish to give you a list, literally, of some of the questions we discussed. And then you will find it easier to ask your questions. [Laughter in hall]

The main theme of the talks was the strategic partnership between Russia and the United States: international issues; foreign-policy coordination of efforts so that we two great powers, two countries, constantly coordinate our actions to uphold peace in our land; the G-8; peacekeeping; the CIS; the role of Russia; NATO and Russia; coordination at the United Nations; the Security

Council; reform of the United Nations; cooperation between the United Nations and the CIS; the situation in various parts of the world; Bosnia; the Middle East; the Caribbean Basin; North Korea; Rwanda; Islamic extremism; Iran; Libya; Iraq; the Dniester region; Nagorno Karabakh; Abkhazia; Tajikistan; the Baltics; military issues; START-1; START-2; START-3; Three? Three, already; nonproliferation, harmonization.. [mounting laughter in hall]

Are you keeping up with me? [laughter, applause] Okay, I'll go a little slower. We are not on the same wavelength, running at the same speed. [speaks slowly] Arms nonproliferation. [laughter, applause] Harmonization of military doctrines—harmonization, since the United States has one military doctrine today and Russia has a different one. How can we forge a friendly partnership and work according to it if we have different doctrines? New five-power initiatives for strategic stability, both strategic and tactical; biological weapons; chemical weapons; their reduction and destruction; safe destruction of nuclear weapons; exchange of information on dangerous nuclear weapons and fissile materials; for the first time, a ban on nuclear testing; Russia's participation in a system to monitor missile technology. We accede to this, and the United States initiated it.

A ban on export of antipersonnel mines—I support fully the speech by the President of the United States at the UN General Assembly on this issue. Submarine incidents; economic issues; investment; removal of discriminatory restrictions and opening of the American market to Russian goods; the status of a country with a transitional economy for Russia. At last, we agreed on COCOM [Coordinating Committee for Multilateral Export Controls]. Trade and economic projects; free trade; GATT.

At last, we agreed on the Jackson-Vanik amendment. I said that in our country, every child knows who Jackson and Vanik are. [laughter] The President has ordered the suspension of that amendment, even if it is a temporary order, and I am grateful for this huge window, this light window, so to speak, that has emerged between us.

Crime; cooperation in education, culture, ecology; national minorities; the Far North; customs cooperation. And I told the President, and this is very important to all humankind, that after Russia and the United States have ratified the START-2 treaty, we will simultaneously take all missiles affected by the treaty off alert status, instead of in the year 2003. That is, we will gain a minimum of seven years, even more. And we will give mankind hope that our generations will live well in peace.

Our talks focused on the strategy of the partnership between Russia and the United States, and I have already said that we agreed that it must be more pragmatic. There was a discussion on partnership for the sake of economic progress. We agreed on that, too. A large group of Russian entrepreneurs is now in America, and in New York I had meetings with the captains of big business [three-second break in transmission] (?in the United States) and Russia, and today President Bill Clinton and I also met big business representatives, and we agreed. What is it that hinders investment, the attraction of investment, in Russia on the part of private capital? And it must be said that we did, in general, agree. [Lengthy pause, laughter]

While looking to the future, we did, at the same time, try not to lose touch with this sinful world. Specifically, we agreed on the utmost development of cooperation in the fight against crime. There are other concrete agreements on environmental protection in the Russian North and the development of the communications system.

In general, I must say that many people predicted that not only would these be difficult talks, but they would also end in failure. I must pity those people and extend my sympathy to them. [laughter] We agreed on virtually all questions. In one area, there was a compromise from the United States; in another, there was a compromise from Russia. But the main thing is that we reached agreement for the sake of peace, for the sake of mankind, for the sake of our whole world.

Thank you.

Yeltsin Responds to Questions

LD2909005594 Moscow Russian Television Network in Russian 1930 GMT 28 Sep 94

[Question and answer session from joint news conference by Presidents Bill Clinton and Boris Yeltsin in Washington following the signing of the Russian-American Agreement—live]

[Excerpts] [Clinton] I have always wanted to be on the other side of this microphone, and if I was on that side, my question would be: What were your agreements on questions 15, 27, and 43?

[Unidentified correspondent, in English with superimposed Russian translation] I have a question for each of the presidents. I think that you have all the answers. President Clinton: Do you intend to call a special session on GATT? President Yeltsin: I think that Americans are happy to hear your statement that you never intend to attack the United States. But, of course, we are somewhat concerned... [indistinct passage omitted]

The United States is of course, very happy to hear that Russia never intends to attack the United States. However, there is some concern that Russia still considers some former Soviet republics to be its sphere. What is your opinion on that? [passage omitted]

[Yeltsin] Of course, we do not intend to circumvent the decisions of the United Nations Organization, all the more so since I—as you know, at the UN General Assembly session—spoke out in favor of strengthening the United Nations, of expanding the United Nations, for this organization to continue to grow in strength, and perhaps it is more needed now than it was 20 years ago. Therefore, with regard to the CIS countries, what do you think—are you close to your neighbors that you live besides? [laughter in audience] So—these are our neighbors! Yesterday, we all lived in the one house, in the one house, in the Soviet Union! The Soviet Union was no more, but the republics remained. They are our nearest and dearest! Frankly speaking, we help them financially just as you help many other countries—Latin America, Africa, and so on. So it is natural that we have good ties with them, all the more so since certain centrifugal tendencies can be observed now, or rather, centripetal tendencies. They all want to go to Russia! They all want to! And we will be friends with all of them! We will support them!

But in no event to go against any kind of international norms and rules which have been established or which will be established.

[Correspondent Dorenko, Russian TV] Have specific decisions been taken and specific dates been set regarding the COCOM [Coordinating Committee for Multilateral Export Controls] restrictions and the antidumping restrictions against Russian companies?

[Yeltsin] What do you want me to start with?

[Dorenko] The anti-dumping restrictions and COCOM restrictions against Russian companies. Have specific decisions been taken and specific datelines been set this time?

[Yeltsin] This is probably the first time that we have come to an agreement on this issue. It took us a long time, for a long time we could not come to an agreement. The condition was set for us—I think that Bill will agree with this, I can be quite frank about it—we supply arms to Iran and therefore we were not permitted to join in all the machinations of setting up this post-COCOM organization and be put on all the lists. What kind of agreement have we come to now? There was a contract that was signed between Iran and the former Soviet Union. We, a respectable great power, cannot fail to honor this contract. Therefore, the old contract, the one that was signed in 1988, will be honored. But there will be no new contracts, no fresh deliveries of weapons and military equipment to Iran. On this condition, Bill Clinton has agreed that we can be involved in the post-COCOM organization.

[Clinton] On the whole, I can agree that we came to an agreement in principle with regard to export controls. We shall continue the work here. I hope that we shall soon finish it. I hope we shall soon resolve this issue. For us, the details of this issue are also important, not just the overall solution. As far as the antidumping legislation is concerned, then as I understand it, what you have in mind is probably the legislation that should be adopted by Congress regarding the fact that Russia has a transitional-period economy. And then there will be the opportunity to take greater initiative on our part, like reducing the tariff rates. If this was your question, please go ahead. [passage omitted]

[Unidentified correspondent in English with superimposed Russian translation] Speaking at the United Nations, you proposed that a start be made forthwith to working out a treaty on stability and security. Obviously you discussed a number of questions with the president. To what extent do you think the approaches of Russia and the United States coincide on the possible conclusion of a treaty?

[Yeltsin] In principle, the President agreed with this idea, although he did say that the Russian president has put forward too many initiatives at the UN General Assembly and that they need time to study the whole list of these initiatives.

[Unidentified correspondent in English with superimposed Russian translation] President Yeltsin, you stated afresh today that you are against lifting the embargo on arms deliveries to Bosnia. Will Russia veto this decision, if Serbia does not agree to an accord? And what, President Clinton, is your approach to this contentious issue?

[Yeltsin] Well, first, our solution of this task and issue has been made easier by the fact that the Bosnians themselves have now asked that the discussion of this issue be postponed in general for four to six months. We shall see what happens in six months' time.

[Clinton in English, fading into Russian translation] We agreed on the following: to come out with a number of new initiatives in an attempt to make progress on this matter. We still do have differences in our standpoints. That is undisputed, but it is interesting to note how close our cooperation on Bosnia has been for many months now, and we have achieved much in this tragic situation thanks to the fact that we have been working together with Russia, our NATO allies, and also the United Nations.

[Unidentified correspondent in English with superimposed Russian translation] What do you intend to do to improve the investment climate for American companies after all the talks you have had here? And an additional question for President Bill Clinton about anti-dumping legislation. Does the granting to Russia of the status of a country with a transitional economy mean a relaxation of antidumping legislation under section 4.06 of the law on commerce?

[Yeltsin] My answer is that when I met with businessmen, every one of them who spoke put virtually the same question: taxes. Taxes. In 1991, the reborn Russia fairly quickly drew up a law on taxes, and we understand that it does of course suffer from errors that affect both our businessmen and foreigners. Therefore, right now we are preparing a tax code—and incidentally, Bill kindly suggested drawing on their 200-year experience in taxation so that we set up a group to examine how such issues are handled here. The code will, I believe, be adopted in the first six months of next year, 1995. It will differ considerably from the present state of affairs and will undoubtedly ease the burden on foreign investors as well. [passage omitted]

[Unidentified correspondent in English with superimposed Russian translation] I would like to put a question to President Yeltsin and President Clinton. The United States has been concerned at what Russia will do in the former CIS countries [as heard] and particularly in Nagorno Karabakh. [words indistinct] How is that any different from the sphere of influence the United States seems to have over Haiti? And I would like your comment, please.

[Yeltsin] You know, on the whole, the President of the United States and I never discussed that question in such detail personally and it is only now that we have dedicated a very great deal of time to it. We even did not finish our discussions in one day and carried them over to today. We discussed the question of Nagornoy Karabakh again today. And, finally, we combined our fundamental approaches. But some time is still needed to implement them and to draw up documents in the UN and so on. Briefly, the most important thing is that we reached agreement.

[Unidentified correspondent in English with superimposed Russian translation] What do you think—do the U.S. objections to Russia's intervention differ from what the United States did regarding its intervention in Haiti? Do you think that the United States makes any distinction regarding this question?

[Yeltsin] No, I cannot say that because Russia voted for Resolution 940 in the United Nations Organization and thereby supported the actions of the United States of America. And as far as Nagorno Karabakh is concerned, it is our neighbor. They asked us to help them, to take part in resolving that conflict just as we have resolved the conflict in Moldova, just as we have now brought peacekeeping forces in to separate Abkhazia and Georgia and bloodshed has ended there. The refugees must be returned now, and so on. That is to say, we are helping our neighbors.

[Clinton in English with superimposed Russian translation] Let me answer that question. First of all, the United States does not object to Russia taking an active part in resolving the problem of Nagorno Karabakh. We discussed that question with representatives of Russia and Boris Yeltsin and I held lengthy discussions on that issue, on Russia's actions conforming to the resolutions adopted within the framework of the United Nations Organization.

And I think that Russia really does have its interest, a substantial interest in what is happening on its frontiers and what is happening in countries which border on Russia. In all our discussions, President Yeltsin acknowledged that he respected the sovereignty, independence, and territorial integrity of these countries and also that there were things which he could assist the implementation of without violating the sovereignty, territorial integrity and independence of these countries.

What we did in Haiti, as you know, we did not do by ourselves although the United States has acted many times by itself in the 20th century in this hemisphere. We appealed to the United Nations. We assembled an international coalition and in the first days we were upheld by 28 countries and even more at the second stage. And I think that we should act thus in future, too, and it is very important for other countries, for those countries which have military capacities to resolve other problems too, to assume the initiative to resolve these problems. But when this is done it should all be done within the framework of the resolutions of the United Nations Organization and with respect for the territorial integrity of these countries.

[KRASNAYA ZVEZDA correspondent] According to reports in the American media, the United States is intending to make additions to the ABM treaty, which in point of fact would alter its content. Was this matter discussed during the talks, and what is your attitude to this problem?

[Yeltsin] Well, evidently I read the whole list out so quickly that you did not catch it. [laughter from audience] There was a mention of the ABM issue. That is to say, we did discuss the issue, but in view of the professional complexities of the matter, we have for the time being handed it over to be considered by the existing joint commission so that the commission can then provide us with its proposals. [turns to Clinton] That is so, is it not?

[Clinton] That is correct. Thank you.

[Yeltsin] Thank you.

Yeltsin Cites 'Major Stride Forward'

LD2909092294 Moscow ITAR-TASS in English 0850 GMT 29 Sep 94

[By ITAR-TASS]

[Text] Washington September 29 TASS—A multitude of Russian state flags hoisted in main streets of the U.S. capital in these days were joined by another one which was raised above a new building of the Russian Embassy. A ceremony of inaugurating a new building of the Russian diplomatic mission in the United States was held on Wednesday night and was attended by the Russian president and members of the delegation who took part in Boris Yeltsin's two- day official visit to Washington.

Almost 80 years after the first Russian diplomatic mission opened in the centre of Washington a new complex of apartment houses and administrative buildings of the Russian Embassy in Wisconsin Street built nearly nine years ago was given an official status. Russian Foreign Minister Andrey Kozyrev and the Russian ambassador to the United States, Yuliy Vorontsov, hoisted a three-coloured Russian flag in front of the entrance to the central building of the embassy complex.

Officials from the Russian Embassy told ITAR-TASS that the complex had not been used because of mutual accusations alleging that bugs were installed there. During an official visit of the Russian president to the United States in June, 1992 an agreement was reached on mutual use of these buildings by Russia and the United States.

Yeltsin warmly congratulated officials of the Russian diplomatic mission wished them success in the new building.

Yeltsin highly assessed talks he held with the head of the U.S. Administration. During two days the sides had discussed about 40 issues, and took a major stride forward in pragmatic partnership, as Yeltsin put it.

"I cannot say that there were no difficulties during the talks. We had some difficulties and I was prepared for this, but thanks to relations which were established between Bill Clinton and myself and the atmosphere of the talks, when a one-on-one dialogue was being carried on and no one cast his eyes down when a difficult question was raised, we always managed to find an answer to it," Yeltsin said.

The Russian president gave an official dinner in honor of the U.S. President and his wife. Among other guests invited to the dinner were the U.S. Vice President Albert Gore, the U.S. Secretary of State Warren Christopher, U.S. Congressmen and other officials. Yeltsin and his wife Mrs. Naina Yeltsin walked together with the U.S. President and his wife as far as their car and said goodbye.

Yeltsin Hails Opening of New Embassy

LD2909102594 Moscow Radio Rossii Network in Russian 0900 GMT 29 Sep 94

[Text] On Wednesday [28 September], Yeltsin and U.S. President Clinton ended their talks.

Boris Yeltsin spoke at the ceremony of opening Russia's new embassy in the United States. He had the following to say about his talks with Clinton:

[Begin Yeltsin recording] I cannot say that there were no difficulties. There were difficulties, and I had been getting ready to face them. But I must say that thanks to the (tenor) of talks between myself and Bill Clinton that took shape—their openness, sincerity, and humaneness, when people speak face to face and nobody averts the eyes even while discussing difficult issues—we tried to find answers to these questions. At least about 40 questions have been discussed over these two days. I remember that during my last visit I was shown plans of the building and was told that the U.S. side would not agree to build it. I managed to agree with the President that the new embassy should be built, after all. I regard it as our country's main embassy. I am grateful to the American side for making it possible for the building to be constructed. Many thanks to Bill Clinton and his apparatus, the White House for the fact that now we have such a beautiful house on Russian territory in the United States.

As Russian president I, first, thank those who have constructed the building and, second, I grant Russian Foreign Minister Andrey Vladimirovich Kozyrev, and Yuliy Mikhaylovich Vorontsov, Russian ambassador in the United States, the right to hoist the flag on the Russian Embassy in the United States to mark its opening. [end recording]

Commentary on Summit With United States

Day 1 'Not in Russia's Favor'

MK2909085094 Moscow NEZAVISIMAYA GAZETA in Russian 29 Sep 94 p 1

[Report by Dmitriy Gornostayev from Washington in the "Summit Meeting" column: "The First Day, a Mess. The Results of the Initial Round of Negotiations Between the Russian and U.S. Presidents Are Not in Moscow's Favor"]

[Text] The summit meeting of the Russian and U.S. Presidents ended late yesterday evening, Moscow time, in Washington. NEZAVISIMAYA GAZETA will report on its results in detail in tomorrow's issue. It is worth mentioning, however, that the main document signed yesterday in the White House by Boris Yeltsin and Bill Clinton is a charter of economic partnership which the presidential entourage considers to be equal in scope to the political declaration signed at the beginning of the year in Moscow. According to Viktor Ilyushin, first aide to the Russian president, Clinton did not expect such changes in the economic sphere which are now occurring in Russia. The main problem in trade and economic relations, however, is still the Jackson-Vanick amendment which the U.S. Congress cannot bring itself to lift. Therefore, the meeting discussed possibilities for improving trade partnership in the context of this limitation being preserved in U.S. legislation.

The Russian president described the first day of negotiations as a super-frank conversation: "There were pluses and some minuses, but we found a compromise solution after all." Indeed, judging by information from some highly placed representatives of both states, on that day the presidents were actively in search of compromise. But signs are that all this was reminiscent of a one-way street [igra v odni vorota]. The agenda of the first day included discussion of international matters, and here the Americans exerted strong pressure on the Russian side; this was visible as well shortly before the start of Yeltsin's visit. U.S. Secretary of State Warren Christopher said that Russia will need to pressure the Bosnian Serbs to sign a peace plan within six months. Otherwise the U.S. embargo on arms supplies to the Muslims will be lifted.

Questioned by NEZAVISIMAYA GAZETA's correspondent on the issue of the embargo against the Muslims, Russian Federation Foreign Minister Andrey Kozyrev stated that this question is becoming less acute. What conclusions can be drawn from these statements by the heads of foreign policy departments if Christopher's words point to an obvious weakening of the Russian position while Kozyrev's are meant to pacify?

NEZAVISIMAYA GAZETA's information about U.S. attempts to participate in addressing the Karabakh problem has also been confirmed. Christopher said that Washington is not content with Russia's leading role as guarantor of security in the CIS. According to Russian representatives, it was decided at the meeting that Russia, the United Nations, the CSCE, and the United States (!) should coordinate efforts to settle the problem. Asked by NEZAVISIMAYA GAZETA's correspondent what form of U.S. participation is meant here, an official Russian representative said something vague about the need to coordinate efforts, and the presence of a basis for coordination. The only supposition that could be made from these words is that Moscow and Washington intend to share out their spheres of influence in Karabakh. If this is so, Yeltsin's words at the UN General Assembly session about the CIS as a priority sphere for the Russian Federation mean nothing.

Possibly, reported changes in the ABM Treaty will be confirmed. Andrey Kozyrev said that documents in the sphere of security and strategic stability could be signed. The director of the Russian Federation Foreign Affairs Ministry Information and Press Department announced that the comprehensive question of the nonproliferation and reduction of nuclear weapons, including the ABM Treaty, is to be discussed during the second day of negotiations.

The results of the first day, however, are obviously not in Russia's favor.

U.S. Visit Results Analyzed

MM2909104994 Moscow KOMSOMOLSKAYA PRAVDA in Russian 29 Sep 94 p 7

[Report by special correspondents Sergey Ivanov and Oleg Shevtsov: "While Gore Limped, Yeltsin Stood Firmly on His Feet and Continued To Strengthen Russian-U.S. Relations"]

[Excerpt] Washington—If not for the crutches supporting the U.S. Vice President, the official ceremony of President Yeltsin's meeting on the South Lawn of the White House would have presented a perfectly idyllic scene: the azure sky, the emerald lawn, the bright red-and-white uniforms of the band which marched in front of the U.S. and Russian Presidents. The speeches of the White House host and his important Russian guest were full of fine words confirming the firm intentions of our countries to enter a new cycle of rapprochement in all spheres of our relations. And Al Gore's plastered leg in its special plastic boot was the only reminder of the danger of the fierce confrontation between the executive and the legislature.

You have to pay tribute to the courage of the U.S. Number Two. After all, Albert Gore—injured in a basketball match against the U.S Congress team, and having barely recovered after a one-and-a-half hour operation on his ankle—could nevertheless not allow himself to pull out of the summit program. By this gesture the Vice President showed respect for Russia and its leadership.

Indeed, Boris Nikolayevich noted at the official dinner that the United States and ourselves, having broken down the barriers which had separated us for so long, have in the past six months attained a new level in our bilateral relations. Our collaboration, which is now characterized by a great deal of pragmatism, the president said, will be especially important in such spheres as the defense of human rights, safeguarding nuclear security, and countering global warming and the occurrence of holes in the ozone layer, and also in the joint "battle with phantoms of the past such as aggressive nationalism, xenophobia, and anti-Semitism," which have replaced "the phantom of communism, which no longer threatens mankind."

But all the same, the main attention of summit observers was focused on the meeting between the two superpower leaders, which took place one on one in the the Oval Office and lasted eight hours, instead of the planned 80 minutes. The two countries' leaders have effectively switched to a new method of conducting summits, a method which posits that the cardinal agreements are reached between the presidents, while talks taking place simultaneously between diplomatic, military, and economic delegations enable them to be made more specific at expert level.

The detailed exchange of opinions on a broad range of international and bilateral questions took place in an extremely frank atmosphere, Yeltsin acknowledged. It was noted with satisfaction that strategic partnership between the United States and Russia is a key factor in strengthening stability and security in the world—the policy toward collaboration elaborated at previous summits is gaining momentum, despite opposition efforts in both countries to turn back the clock. [passage omitted]

'Sound Practical Cynicism' Cited

MM2909090194 Moscow IZVESTIYA in Russian 29 Sep 94 p 3

[Report by Melor Sturua: "Hijacking of East Europe. Lunch at the U.S. State Department"]

[Text] Washington—Vice President Albert Gore held a lunch in President Yeltsin's honor in the diplomatic reception room on the U.S. State Department's eighth floor. Protocol prescribed as follows: "Dress code—lounge suits, cocktail dresses. Toasts of up to three minutes."

On the eve of Yeltsin's arrival Richard Holbrook, who has just been appointed to supervise European affairs in the U.S. State Department, told Congress that henceforth this region will be called Central Europe, "as it was before 1939."

But it is not of course simply a matter of geographical terminology. Of late a tendency to expand NATO by incorporating in it such East European countries as Poland, Hungary, and the Czech Republic and the idea of reducing for them as far as possible the "trial period" within the "Partnership for Peace" framework has been gaining momentum within the U.S. State Department, particularly with the arrival of Richard Holbrook.

The State Department's geographical tricks are determined by geopolitical reasons—a desire to consolidate the results of the "Cold War" victory while Russia is still in a state of disorder and instability and isolate it on the European Continent. Of course, people here swear by all that's holy that they are not even thinking of that, never mind creating a cordon sanitaire against a Russia racked by cataclysmic change. It is allegedly merely a question of how to fill the vacuum that formed in the center of Europe with the end of the "Cold War" and with what.

But that is utter hypocrisy. The vague talk that Washington is motivated not by NATO military parameters but solely by "innocent motives and attempts to support the new democracies by demonstrating their affiliation to the West" (THE NEW YORK TIMES) is considered even by my colleague Steven Sestanovich, vice president of the Carnegie Endowment for Russian and European Affairs, to be a "sham."

But, paradoxical as it may seem at first glance, this clash between Washington and Moscow diplomacy is a reassuring sign that relations between our countries are normalizing. A grain of sound practical cynicism is helping to strengthen them. And that is, I think, the new feature of the current Yeltsin-Clinton summit.

KRASNAYA ZVEZDA on Talks

MM2909102194 Moscow KRASNAYA ZVEZDA in Russian 29 Sep 94 p 1

[Report by special correspondent Vladimir Kuzar: "Even Disagreements Are Better Discussed in an Atmosphere of Warm Peace Than of Cold War"]

[Text] Washington, 28 Sept—When you read this report on Russian President Boris Yeltsin's official visit to the United States, the final results of the whole summit will already be known. Russian newspapermen are at a clear disadvantage here—the time difference is against us. But I do not think I will be mistaken in suggesting that the words Bill Clinton spoke at the official welcoming ceremony on the White House lawn will form the dominant theme of the whole meeting, and what the U.S. President said was: "We can discuss our differences in an atmosphere of warm peace rather than of Cold War."

As regards the atmosphere of the talks, in weather terms, as it were, the talks already seem to have been favored even by forces to which the two presidents' writ does not extend, downpours having been replaced by clear, sunny weather since Boris Yeltsin's arrival. To be serious, however, both sides have their sights set on establishing effective, businesslike cooperation between the two countries, cooperation within the framework of which emerging conflicts may be resolved.

Your correspondent asked the American President about one of them just before the start of the talks in the Oval Office. Did he see, I asked, any contradictions between Washington's declared intention of seeking to achieve the close unification of Russia and the West and the desire to expand NATO, which will inevitably lead to a split in Europe. Clinton replied that we have already done a lot toward our rapprochement. More still needs to be done, particularly within the frawmework of partnership. As far as the problem of NATO is concerned, it had not yet been discussed in such a form during the current meeting.

The fact alone that their discussion lasted a good two hours instead of the planned 30 minutes indicates how serious the problems under discussion are and how great the two presidents' desire to find mutually acceptable solutions is. As we learned in Russian delegation circles, questions of trade and economic relations between the two countries and problems of Russia's joining the main economic communities were discussed for the most part. The settlement of the Bosnian conflict was also at the center of attention.

After the talks a representative of the U.S. Administration stressed that Clinton had observed that during his presidency he had spent more time with Boris Yeltsin than any other foreign leader. Good, close relations have clearly developed as a result of their five meetings. The administration representative said that the President had done everything within his power to remove the notorious Jackson-Vanik Amendment, which hampers the development of mutually beneficial trade.

In developing partnership now our countries are continuing the traditions established more than half-a-century ago. I thought about this when observing the really moving meeting of Bill Clinton and Boris Yeltsin with Russian and American World War II veterans. "By your personal example," the Russian president said, turning toward them, "you proved that Russia and America must stand together at the drastic turning points of history."

The meeting on the Elbe, Bill Clinton stressed for his part, "promised not just the end of the war but also the advent of lasting peace, which, unfortunately, was postponed for decades. We promise to fulfill at last the promise made by those who took part in the meeting on the Elbe."

Retired Major General Aleksandr Olshanskiy was one of those the presidents addressed. He had just been awarded the World War II 50th Anniversary Medal by Bill Clinton. And naturally I asked him what he thought of the event.

"I am very glad to be here and very glad that we have been remembered," the veteran remarked. "After the celebration of the 50th anniversary of the Normandy landing, to which Russian veterans were not invited, we were somehow left with a bitter taste in the mouth. Had our allied friends really forgotten how we fought for victory together, I wondered. And now I see that the spirit of the Elbe is still alive. And we Russian and American old soldiers will do a lot more still to strengthen peace on earth, particularly as we are together again, partners anew."

It only remains to add that the signing of the Declaration on Partnership for Economic Progress and a number of other documents is planned for the second day of the Russian-American summit. In addition to another conversation with Clinton, Boris Yeltsin will also have a meeting with the leaders of Congress.

Maintaining Current Level 'Success'

MM2909095394 Moscow IZVESTIYA in Russian 29 Sep 94 p 3

[Report by Vladimir Nadein: "Our President Feels at Home in the United States"]

[Text] Washington—The ceremony on the White House South Lawn seemed particularly colorful and attractive. Both presidents, grown men of distinction, kissed one another with gusto on their first meeting, immediately showing all the skeptics, as it were, that this summit meeting would be absorbing and its results would gratify everyone that we used to call progressive mankind.

The skeptics, among them the overwhelming majority of Western observers, thought that the time for breakthroughs in Russian-U.S. relations was past since the conflicts prompted by ideological confrontation have now been solved and the divergences dictated by the objective difference between our national interests are only just ripening, are not sufficiently comprehended, and have not been fully verbalized by both sides.

Bill Clinton mentioned in an amicable context the speech that Boris Yeltsin delivered the day before at the UN General Assembly session. Our president accorded him the same courtesy by speaking about his U.S. counterpart's statement. Needless to say, both presidents could have beset one another with a hail of puzzled questions over their UN speeches. But they preferred to ignore all the points of conflict: Why irritate their audience with disagreements of which there might be no trace within a few minutes of their talks beginning?

During the official lunch President Yeltsin once again spoke of the agreements ready for signing, which will pleasantly surprise the world. However, that did not emerge at the briefing for journalists given by a high-ranking White House spokesman.

Nor did Foreign Minister Andrey Kozyrev give any impression of an impending breakthrough, although he was inventive in his choice of encouraging words to describe the agreements ready for signing.

There was complete unity only during the afternoon meeting when the presidents welcomed World War II veterans in the White House Rose Garden.

Among them were plenty of veterans of the Great Patriotic War who emigrated to the United States in the past. Although they left legally, in full accordance with international laws to which the USSR was a signatory, all those who left were deemed nothing more than traitors. And they were accordingly stripped of all government awards—from civilian Orders of the Patriotic War, which were conferred on everyone for many decades at the close of hostilities, to the modest military medals which veterans particularly value.

The United States does not treat Soviet veterans, even those who have become U.S. citizens, like it does its own: The latter are paid a great deal while our former veterans are paid benefit on similar terms to other immigrants. The old soldiers have set up committees of their own (Soviet experience came in handy here) and have begun to fight for their rights, but have been rebuffed at every turn. These elderly and often frankly troublesome people have had fun poked at them on both sides of the ocean.

Rusina Volkova, a Russian Embassy staffer in the United States, was the first person to see this as a big problem. A year after insistent efforts on her part this translated into several paragraphs in Boris Yeltsin's speech, which did indeed sound excellent. He spoke of the abominable mindlessness of taunting veterans when their medals and identification tags were confiscated on the border. Of the fact that most of these worthy men and women have retained a feeling of deep love for their motherland. Of the president's decision to create a special commission to fairly examine the issue of which metals should be returned and to whom.

But in general one was conscious of some kind of forced political intrigue surrounding the ceremony. No matter how important former NCO, now Major General Retired A. Olshanskiy was, no matter how wonderfully U.S. seaman D. Shaffer fired the bow gun of his ship, the Cricket, the symbolism known more accurately as window dressing in our country was only too evident in the choice of these rather than other people.

President Clinton quoted the words of the song "Do the Russians Want War," which is well known in our country (and totally unknown in the United States), calling Yevgeniy Yevtushenko a "great poet."

Later after lunch he quoted very aptly from Yeltsin's book, in response to which the Russian guest, who had been suffering all day owing to the unseasonably stuffy weather, said with relish: "I feel at home in the United States."

If that is the truth, it was worth leaving Moscow for a week for that one thing alone. Maintaining Russian-U.S. relations at their current level, even without any particular improvements, but just avoiding the pitfalls dug by impassive events and interested people, is a success of which one can be proud.

U.S. 'Partnership for Economic Progress' Detailed

LD2909092994 Moscow ITAR-TASS World Service in Russian 0135 GMT 29 Sep 94

[By unidentified ITAR-TASS correspondent]

[Text] Washington, 29 Sep—"Partnership for Economic Progress"—such is the title of the joint statement on the principles and aims of development of trade, economic, and investment cooperation, which Presidents Bill Clinton and Boris Yeltsin signed here on Wednesday [28 September]. The ceremony was watched by hundreds of journalists gathered in the White House and millions of television viewers.

The statement stresses that the United States reaffirms its support for Russia's efforts to set up a market economy and voices its readiness to actively continue to promote the reform process. For its part, Russia acknowledges and welcomes this support and will continue to cooperate closely with the United States to determine areas of joint work aimed at Russia's rapid transformation into a country with a market economy.

The document notes that close economic ties and cooperation can significantly help the development of stable friendly relations and the creation of jobs in both countries. It states that Russia's advancement toward the formation of a market economy and a more open climate for commerce and investment is creating the basis for such cooperation.

The United States acknowledges the importance of ridding Russia of the effect of the Jackson-Vanik Amendment, says the statement. The U.S. Administration has positively concluded that the Russian Federation fully meets the demands made in the amendment and will very soon hold consultations with Congress on the adoption of an act of legislation ridding Russia of the effect of this amendment.

In their statement, the presidents welcomed the activity of the joint Russian-American Commission on Economic and Technological Cooperation aimed at promoting the expansion of bilateral trade and investment. They noted that on 30 September 1993 the United States made the appropriate Russian export goods duty free on import into the United States within the framework of the Generalized System of Preferences program, which covers 4,400 types of goods. Russia will examine the possibility of removing certain trade barriers impeding the development of bilateral trade.

The document establishes that each country is striving to ensure free access to its market for the other side's goods and services. They believe in avoiding trade disagreements and in promoting access to markets consistent with the practice of fair trade and with trade legislation. The Russian-American Committee for the Development of Business Cooperation is an important forum for discussing current and potential issues of access to markets in order to work out recommendations.

In the statement, Russia and the United States declare their intention to continue cooperation within the framework of the working group on issues of intellectual property, set up in line with the agreement on trade relations between the Russian Federation and the United States. Moreover, the United States acknowledges the significant progress that Russia has achieved in establishing intellectual property rights in legislation.

The document states that Russia and the United States are starting to devise a "Program of Commercial Partnership". It also notes that the efforts of the private sector are vital for creating a market economy in Russia. Cooperation in key sectors of industry, the statement points out, will guarantee the necessary capital and business know-how for further economic development. Economic competition that arises out of private sector cooperation will benefit both countries by improving the quality of goods, increasing efficiency, and job creation.

Kozyrev Remarks on Economic Charter

LD2809221094 Moscow Ostankino Television First Channel Network in Russian 1957 GMT 28 Sep 94

[From the "Novosti" newscast]

[Text] On the whole, the Russian-U.S. documents cover very different aspects of relations between the two countries, but the Partnership for Economic Progress declaration is the most important among them.

[Begin Kozyrev recording] It is, once again, a document that is not declarative in its character but, I would say, of an applied character. That is to say, it contains the principles—essentially new principles—that will make it possible at the very least to ease the difficulties that we are encountering regarding all kinds of antidumping procedures and the rejection syndrome that was formed—or the presumption of rejection, as we put it—that has become entrenched over the years. That is, a basis for partnership is being laid in the economic sphere.

I would compare it with the way this was done previously in the political sphere in Vancouver and Moscow. I want to say right away that it would be wrong to expect that all the economic problems between our two countries will disappear. It only states that certain rules for discussing these issues are being established. [end recording]

U.S. Reviews Nuclear Strategy

MM2909091194 Moscow KRASNAYA ZVEZDA in Russian 29 Sep 94 p 3

[Report by Mikhail Pogorelyy: "Pentagon Completes Work on Review of Nuclear Strategy"]

[Text] One very important topic of discussion by the Russian and U.S. presidents at the current Washington meeting is the problem of nuclear security—in a broad sense. That is, the role of nuclear weapons in general, the prospect of treaties on the reduction of nuclear armaments, and the safe storage of fissionable material. Clearly, it is no accident that the Pentagon chose this moment to announce its willingness to officially abandon the strategy of "mutual assured destruction" and espouse the doctrine of "mutual assured security."

U.S. Defense Secretary William Perry and General John Shalikashvili, chairman of the Joint Chiefs of Staff, made a statement on this in Washington. The 10 months' work on the review of nuclear strategy has now been completed, they announced. A document has been prepared (to be approved by the National Security Council) determining the main tasks and structure of the strategic components of the U.S. Armed Forces in the next decade.

As for the structure, it is retained in the form of the long familiar "triad," but on a far more modest scale. It is based on 14 missile-carrying submarines equipped with the latest "Tridents." These submarines will keep one base on the western and one on the eastern seaboard of America. The Air Force will have three wings of "Minuteman" ICBM's deployed in launch silos in the west of the country. The aviation component of the strategic forces will be represented by B-2 (20 aircraft) and B-52 (66 aircraft) missile-carrying aircraft, the "dual-purpose" version—intended to be used to carry both conventional and nuclear weapons.

By 2003, when the provisions of the treaty on strategic offensive armaments are fully implemented, the U.S. arsenal will comprise approximately 3,500 warheads. Activities to reduce tactical weapons are currently being completed: the ground forces and marines no longer have weapons of this class, nor will they be deployed on surface ships and naval aircraft, although they will remain on submarines ("Tomahawk" cruise missiles).

But the main task of the U.S. strategic nuclear forces in the next decade is to maintain the level and readiness of the retaliatory potential so that it will deter any aggressor from attacking America with conventional forces or with weapons of mass destruction. Under Secretary of Defense John Deutch described Russia as the only source of a potential threat to the United States "if irresponsible forces come to power in Moscow." Therefore we must not be too quick to reduce our nuclear arsenal, Deutch said.

It was with the need to strengthen security, above all its own, in mind that the United States formulated the second task of its nuclear strategy—it is to assist Russia in the process of eliminating both tactical and strategic nuclear weapons, including the sphere of organizing the recording and monitoring of fissionable material.

Yeltsin's Foreign Investment Examples 'Ill-Suited'

MK2809155094 Moscow SEGODNYA in Russian 28 Sep 94 p 2

[Report by Dmitriy Volkov under the "Business" rubric: "Boris Yeltsin Lures Western Companies to Russia. Cited Examples of Promising Investment Proved Ill-Suited"]

[Excerpt] [Passage omitted] Russian analysts agree that the president's U.S. visit should prod Western capital toward "staking out" investment niches in Russia. Yevgeniy Yasin predicts a two- fold growth in foreign investment next year, seeing the estimates by Deputy Prime Minister Anatoliy Chubays, who counts on a ten-fold rise, as excessive. At the same time, Mr. Yasin points out that domestic capital probably needs state support even more, but "Russia's requirements for large foreign investment will prompt the government actively to encourage it."

But many proposals by Western partners leave the government unimpressed and force it to turn a cold shoulder to some of the projects. One is left to wonder about the strange coordination between presidential speech writers and Russian ministries. The former recommended that the president cite two examples of promising foreign investment projects in Russia: the Timano-Pechorskoye oil field, to which a consortium of U.S. and Norwegian companies lays claim, and the Sakhalin-1 project. The latter, precisely on the same day that Boris Yeltsin mentioned the projects, questioned their feasibility: the Fuel and Energy Ministry was dissatisfied with the terms offered by its Western partners on Pechora, and the Environmental Protection Ministry said that the proposed mechanism for the development of the Sakhalin shelf would cause harm to the environment.

The president's fully justified statements that it is time to invest in Russia (otherwise capital could come too late) and that the investment would pay off have thus been disavowed by the haphazard examples "from life." Life has once again defied the presidential entourage's notions of it.

Newspapers Comment on Yeltsin UN Speech

1st Version 'Insufficiently Impressive'

MK2809145894 Moscow SEGODNYA in Russian 28 Sep 94 p 2

[Report by Sergey Parkhomenko from New York in the "Nuances" column: "Boris Yeltsin's Diplomatic Exercise. In the Run-up to a New Political Season"]

[Text] Boris Yeltsin's statement at the UN New York headquarters, which took place 26 September on the opening day of plenary debates at the 49th General Assembly session, was preceded by yet another shock work stint organized by the president for a large group of his aides and diplomats who had already been toiling on the text of his speech for several days. The Kremlin speech writers, it would seem, might have been accustomed to such storming practices. This time around, however, a situation arose which in no way fitted into the framework of apparatus routine: What would appear to be a finally polished version was rejected hours before the delegation was due to depart from Vnukovo airport.

According to one staffer who accompanied Boris Yeltsin, the text was declared to be "insufficiently impressive and not corresponding to the mood of the audience." According to the source, to prepare a basically new, "reinforced," version, the presidential team had only the time of the flight between Moscow, London, and New York.

In explaining this extreme extactingness on the part of the president to his speech writers, some special psychological motives should apparently also be borne in mind. Importantly, he was to address a plenary session for the first time during his entire political career. True, two and a half years ago Boris Yeltsin had occasion to climb the rostrum of the UN headquarters, but that was the rostrum of the Security Council, not the General Assembly. It should also be recalled that in January 1992 he was representing here a state formation which had not as yet effectively received real international recognition: merely one of the pieces of the just-disintegrated communist empire. So the difference between the former leader of the RSFSR, "in opposition to the Union leadership," and his present status as head of a sovereign Russian state appears more than substantial.

Signs are that neither has Boris Yeltsin forgotten other emotions of two years ago. His famous speech in Washington, made at the time to almost ceaseless applause of the U.S. Congress, produced a furor in U.S. and Western political circles in general and went down as one of the most apt and appropriate public statements by the first president of Russia. To be sure, nothing could be further from his intentions than to risk his reputation in the United States as a brilliant orator.

It is little wonder that this background noticeably heated up the interest in the visit by the Russian head of state and forced the text of his UN speech to be scrutinized almost with a magnifying glass in the hope of detecting those elements which were supposed to ensure a "sufficient impression" and "appropriateness to the mood...."

However, the riddle—what it was that appeared in the final version of the speech and which the president missed so acutely in the version rejected—remained unresolved. What is apparently the keynote part of the speech, devoted to some features of "a new political strategy for the 21st century," looks—no matter how wide-ranging and significant the initiatives outlined in it might be—as a typical sample of the Grand UN Style, invariably characterized by monumental, pompous superficiality [deklarativnost]. The ideas of concluding a comprehensive pact on banning nuclear tests, extending infinitely the nuclear nonproliferation treaty, and creating a system of regional "peace strengthening programs" appear extremely attractive and sound highly impressive. But they will remain in the category of pure protestations of good intentions by one of the great powers until they are backed up by elaboration and implementation mechanisms—even if the most general, but still tied to reality.

The initiative on preparing a treaty on nuclear security and strategic stability with the participation of the five permanent UN Security Council members looked in the presidential speech almost as immaterial. True, there were at least some minimal explanations on this count: A confidential document was circulating in the lobbies of the Russian permanent mission which enumerated the basic principles of the agreement proposed.

Generally, there was a strong impression that Boris Yeltsin chose not to bring to the General Assembly rostrum a whole number of really hot and acute problems.

It was only in passing—like a fleeting shadow, in one or two phrases—that a hint about Russia's determination to seek a mandate to conduct peacekeeping operations on the territory of the former Soviet Union was dropped. The essence of the Russian Federation's position, long apparent behind a veil of diplomatic allegories, is that the realization of such a mandate by Russian army commanders must not be accompanied by the dispatch of any national peacekeeping contingents to the post-Soviet "zone." The assertion of such an approach would enable Russia to raise the question of financing such operations from the UN budget in more forthright terms.

Yet the Russian Federation president seemed to have left the explanation of all these delicate nuances to a series of brief bilateral consultations with leaders of the near abroad and distant lands, which took place behind the scenes of the plenary session. Likewise, he stood up to the temptation to present to the General Assembly in detail the subject of Russia's needs for foreign investments. On the other hand, he did not grudge one and a half hours to discuss it behind the firmly closed doors of the Russian permanent mission in company with several dozen influential U.S. financiers and industrialists. "The current tactic of waiting," the president said, apparently not at all afraid of repeating himself yet again, "a tactic, which, frankly speaking, was justified in the past, is now becoming a major anachronism...."

Finally, Boris Yeltsin chose not to publicize too widely his readiness to play the role of a petitioner on some especially delicate diplomatic affairs. (The reference is to a powerful political campaign organized by several of the "Big Seven" countries in a bid drastically to revise the system of forming the UN Security Council). Germany and Japan are openly aspiring to permanent member status. Moscow's position here is quite logical and simple: These two aspirants will sooner or later get their way, and it would be silly of Russia not to support a sure thing by backing up the efforts of the largest economic powers of Europe and Asia. Especially considering that this support could be generously rewarded.

The session lobbies were abuzz with discussion of reports that the Russian president, when in Berlin, had promised his assistance to Chancellor Kohl. If this is true, it has to be recognized: The Russian leader has approached his obligations in good faith. Responding to a question from SEGODNYA's correspondent before flying to Washington, he said that the greater part of his one and a half hour eye-to-eye meeting with Butrus Butrus-Ghali was devoted to this subject. President Yeltsin is sure that at least five more countries should be given permanent seats on the Security Council, "so as to expand the Security Council's geographical base." This expansion, however, should not, according to him, lead to the nuclear club founding powers' losing their special status in the United Nations.

This time President Yeltsin stayed in New York for less than 24 hours. Yet this was apparently quite enough to test a whole arsenal of diplomatic instruments, the level of whose mastery defines the class of a contemporary political figure.

A wide-ranging statement in a representative world assembly.... And then consultations barred to outsiders.... Private, non-binding talks—"to consolidate contacts and clarify positions...." And then quite businesslike conferences—with the prospects of an early practical effect....

In any event, all this should be useful training on the eve of the Washington summit which began yesterday. Incidentally, also in the run-up to a new Russian political season, whose developments, by all indications, could confront Boris Yeltsin with problems far more complicated than those in New York.

Experts Cite 'Vagueness'

MK2809130094 Moscow SEGODNYA in Russian 28 Sep 94 p 2

[Report by Viktor Khamrayev under the "Echoes" rubric: "Experts Announce Start of Boris Yeltsin's Election Campaign and Suggest President be Friends with Parliament"]

[Text] Experts held a press conference at the Russian-American press center yesterday to discuss Yeltsin's address to the United Nations.

The experts were: Aleksey Arbatov, State Duma deputy; Andrey Kortunov, Russian Science Fund board chairman (who worked in the team who wrote the president's United Nations address); Sergey Rogov, USA and Canada Institute deputy director; and Dmitriy Rogozin, Congress of Russian Communities (CRC) executive committee chairman.

Mr. Kortunov and Mr. Rogov carried out a detailed analysis of the president's address using analogies with a similar address by Mikhail Gorbachev (of a six-year vintage), noting both the continuity and fundamentally new things, one of which they called "a need for reforming the United Nations announced by a Russian leader for the first time."

Mr. Arbatov focused journalists' attention upon what "will happen" after the president's address to the General Assembly, and voiced a sincere wish to Boris Yeltsin that the initiatives he announced from the world community podium are not in for the same fate as many of his edicts—being valid only on paper. In which connection the Duma deputy suggested to the president that he "impose control over the raging bureaucracy" and to "establish firm contact with parliament." Mr. Arbatov attributes the address' "vagueness" and "some generality" to the fact that the president has launched preparations for the elections, and is seeking popularity among the largest possible number of fellow citizens.

Yeltsin Speech 'True To Tradition'

MM2809134894 Moscow IZVESTIYA in Russian 28 Sep 94 p 3

[Report by Maksim Yusin: "Boris Yeltsin Presents Russian 'Monroe Doctrine' In New York"]

[Text] Despite the tumultuous events of recent years, Russia remains a great power and demands that the world acknowledge its interests. For 40 minutes, the duration of his speech at the UN General Assembly, Boris Yeltsin tried hard to put this idea across to his audience.

The Russian president talked in very tough terms about Moscow's special interests in the CIS republics. He described relations with these countries as an "economic and foreign policy" priority for Russia. Without being specific, Yeltsin warned "shortsighted" states that are trying to play on contradictions between members of the Commonwealth. In his view, Russia's peacemaking efforts have brought nearer the settlement of practically all armed conflicts on the territory of the former USSR—in Moldova, in Georgia, in Nagorno-Karabakh, even in Tajikistan.

The problem of human rights—a favorite topic of our diplomats of late—was not overlooked either. And although Yeltsin did not directly name Latvia and Estonia, there is no doubt that he had them in mind when he described "the selective approach and double standards" as intolerable and demanded that democratic states "demonstrate in practice that the protection of human rights is the cornerstone of their foreign policy."

The Russian president remained true to the tradition going back to Soviet times of marking every speech by Moscow leaders at a major international forum with a new initiative in the disarmament sphere. Judging by foreign media reactions, the proposals announced by Yeltsin in New York were rather unexpected as far as Western leaders were concerned.

The Russian president called for the conclusion next year of an all-embracing agreement on banning nuclear weapon tests, the extension of the Non-Proliferation Treaty "indefinitely and unconditionally," the granting of clear-cut security guarantees to nonnuclear states, and the holding of a UN-sponsored international conference on conversion in 1996. Yeltsin also suggested that Paris, London, and Beijing follow Moscow's and Washington's example and join them in embarking on cuts in their own nuclear arsenals.

The U.S. reaction to Yeltsin's initiative was ambiguous. U.S. representative to the United Nations Madeleine Albright described it as "creative and intriguing." But a senior Pentagon aide, interviewed by news agencies, called the Russian proposals premature.

Diplomat Says 'No Reasons' To Halt Iran Trade

LD2809190994 Moscow INTERFAX in English 1646 GMT 28 Sep 94

[By INTERFAX diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[Text] There are no reasons for rupturing mutually-advantageous and long-established military-technical cooperation with Iran, a high-ranking Russian diplomat told Interfax on Wednesday.

He said that the problem of Iranian threat had been raised by the U.S. which is trying to link Russia's access to the formation of the post-COCOM [Coordinating Committee for Multilateral Export Control] system of export control with the rupture of military- technical cooperation with Iran. "In our opinion, there are no reasons for such linkage. These are two totally different things," he said.

"The U.S. has kept grudges against Iran for a long time now," he continued. "It is accusing that country of international terrorism, for instance. However, neither the West, nor Russia shares this position, because there is not a single proved instance of Iran's involvement in terrorist acts. In other words, the presumption of innocence principle must be applied to this case," he said.

To quote the diplomat, the U.S. is accusing Iran of violating human rights. "Such violations did take place. During the past few years, Russia supported the U.N. resolutions which expressed concern about this problem," he continued. "However, we consider it inexpedient to link this problem with military-technical cooperation with Iran. After all, we attach more importance to violations of human rights in the Baltic countries," he added.

He does not share the position of the American politicians who are accusing Iran of nuclear ambitions. "Iran, which signed the treaty on the nonproliferation of nuclear weapons and the protocol on guarantees with IAEA [International Atomic Energy Agency] is one of the few countries which allowed the experts of this international organization to inspect all of its nuclear facilities," he said. "The latest inspection, held in the spring of 1994, confirmed once again that Teheran's nuclear program, is not militarily-oriented," he said.

He also said that Iran was Russia's nearest neighbor. "Naturally, we are following the events in Iran as closely as the U.S. is. At least, they have not aroused our special concern so far," he said.

Official Denies Reported Yeltsin-Karadzic Meeting

LD2809185994 Moscow INTERFAX in English 1646 GMT 28 Sep 94

[From the "Diplomatic Panorama" feature: Reports by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov and others]

[Text] President Boris Yeltsin did not, and could not, meet with the leader of Bosnian Serbs Radovan Karadzic in New York. The allegations concerning such a meeting are lies, a senior member of Russia's Foreign Ministry told Interfax.

According to him, the leader of Bosnian Serbs, who had rejected the Contact Group's plan for a peaceful settlement, is in his residence in Pale. "No one invited him to New York. It would have been odd, the more so as Resolution 942 on toughening sanctions against the Bosnian Serbs, adopted by the U.N. security Council recently, provides for renouncing all political contacts with them," he said.

Russia froze its contacts with the Bosnian Serbs, and it has no intention of resuming them, the diplomat stressed. "Their adoption of the peace plan alone can alter the situation," he noted.

With reference to the Security Council's Resolution 943 on suspending some sanctions imposed on Belgrade Interfax's interviewee said that it will come into force early next week. "On Monday or Tuesday at the latest. Moscow hopes that by that time the U.N. secretary General will receive a report to prove that Serbia's border with Bosnia is sealed to all cargos, except humanitarian, and make an appropriate statement," he said. "We hope that on October 5 Aeroflot planes will resume their flights to Belgrade."

According to the information available to Russia, Belgrade has kept its word and observed the sealed border regime. "This does not mean however that the Bosnian Serbs do not smuggle goods across the border," he added. "But, as far as we know, Yugoslav authorities have nothing to do with this. Smuggling takes place on all frontiers."

When asked how firm are the positions of Serbia's President, Slobodan Milosevic, who came under criticism in his country for having broken ties with the leaders of Bosnian Serbs, the diplomat said: "We expect that those who adhere to the logic of peace are more numerous in Yugoslavia than those who prefer the logic of war. Belgrade made its choice, and we hope that it was final," Interfax's interviewee noted.

He refrained from commenting on the stand taken by Serbia's Orthodox Church, which condemned President Milosevic for having broken relations with the leaders of Bosnian Serbs. "The head of Serbia's Orthodox Church, Patriarch Pavel, is expected to arrive in Moscow on October 5. Much will depend on his meetings with the hierarchs of the Russian Orthodox Church, which has always stood for a peaceful solution to the conflict in Bosnia. We firmly believe that the plan worked out by the international Contact Group opens a road to this," he said.

Zhirinovskiy Discusses Upcoming DPRK Trip

LD2809204494 Moscow ITAR-TASS in English 1847 GMT 28 Sep 94

[By ITAR-TASS diplomatic correspondent Vladimir Solntsev]

[Text] Moscow September 28 TASS—Russian ultra-nationalist Vladimir Zhirinovskiy said he has not set himself a goal to meet with Kim Jong-il by all means during his upcoming trip to North Korea scheduled for early October.

In an exclusive interview with ITAR-TASS on Wednesday, Zhirinovskiy said "we do not know yet" if such a meeting will take place. "If he (Kim Jong-il) wants and has time, then we will meet," he added. At the same time he did not rule out the possibility that Kim Jong-il may refrain from such meetings on the eve of the forthcoming congress of the Korean Labour Party to be held in mid- October when he may also take over as head of state and chief of the party.

Zhirinovskiy noted that his delegation which will arrive in Pyongyang late on October 2 is going to North Korea at the invitation of the North Korean ruling party. The visit has been preceded by numerous contacts in Pyongyang and Beijing. "This is the first visit, just a visit of respect and acquaintance," he said.

He stressed that there is no fixed schedule and everything will be decided on the spot. "We are taking this trip in order to get to know each other better. We are going to see the country and meet with the leadership, deputies, the ruling party and all who will be able to meet us. We will meet whoever the North Korean side will want us to meet," he said.

Speaking about his Liberal Democratic Party's position on North Korea, Zhirinovskiy said "we are against interference in (its internal) affairs. We have no intention to impose our concept on them."

Asked if he plans to make a stopover in Beijing on his way back, Zhirinovskiy said he will have no time for that. "We have an invitation to visit Taiwan and South Korea, but perhaps one day we will travel to China too. But this time it is unlikely."

Zhirinovskiy To Meet Saddam, Tour Asia

LD2809201794 Moscow ITAR-TASS in English 1746 GMT 28 Sep 94

[By ITAR-TASS diplomatic correspondent Vladimir Solntsev]

[Text] Moscow September 28 TASS—In an exclusive interview with TASS on Wednesday, ultra-nationalist Vladimir Zhirinovskiy called to lift all sanctions imposed on Iraq and described Saddam Hussein as a "courageous president".

Zhirinovskiy said he would fly to Iraq on October 26 to attend an international conference in support of this country allegedly organized with assistance from his Liberal Democratic Party.

"We favour the lifting of all sanctions imposed on Iraq, off the entire blockade, so that Iraq could freely function as any other state in the world", he stressed.

While in Iraq, he is going to meet President Saddam, Zhirinovskiy said, however this will be finally settled on the spot after his arrival. "No one undertakes any obligations beforehand, either we or the Iraqi side. There we will probably meet all those wishing to meet us", he noted.

When asked about his personal attitude towards the Iraqi president, Zhirinovsky said it was "normal" and described Saddam as a "courageous president" who "held out in the Gulf war". "I cannot say anything negative (about him)", he summed up.

Zhirinovskiy announced his plans to take a long tour of the Asian-Pacific region from December 26 to January 10. During this trip, he intends to visit Iran, India, Australia where he is likely to meet the new year, as well as the Philippines, Taiwan and South Korea.

"If we manage to arrange a charter flight, we will tour all these places at a time. If not, it will be Moscow-Tehran, Moscow-Deli and then Moscow-Sydney", Zhirinovskiy said. According to him, these trips will be mostly "fact-finding". "We haven't been to that region. We are going just to make acquaintances, to talk, to give our view of things. I have already described my stand to ambassadors—those of India, Iran, Australia, as well as to Taiwan representatives", Zhirinovskiy said, noting he had no contacts so far with the Philippines' representatives.

DPRK To Consider Offer To Replace Reactors

MM2809161594 Moscow IZVESTIYA in Russian 28 Sep 94 p 3

[Report by Aleksandr Platkovskiy: "Moscow Enters Kim Chong-il Era"]

[Text] Without waiting for the presidential election noncontest to take place in North Korea, Moscow has given its support to Kim Chong-il—sole candidate for the post of head of state. Through his special representative, President Yeltsin conveyed a message to the late Kim Il-song's son expressing a desire to develop good-neighborly relations with the DPRK.

Deputy Foreign Minister Aleksandr Panov told IZVESTIYA that his trip to Pyongyang had not been planned, but was dictated by the particular moment—the process of the handover of power to the new leader which is taking place in the DPRK. The appointment of Kim Chong-il, who is now called in North Korea the "Kim Il-song of our times," to the post of president and party leader is expected to take place in October. But Russian diplomats were told that Kim Chong-il is in personal charge of all affairs—state, party, and military.

Moscow has offered its assistance in replacing the DPRK's current graphite reactors with equivalent light-water reactors, which do not produce plutonium as a by-product. According to Aleksandr Panov, the North Koreans agreed to consider the offer, but the final response would be linked to the results of the current talks with the United States on this matter. Aleksandr Panov said that the North Koreans have not forgotten that the agreement concluded by the Soviet Union on the construction of a nuclear power station in the DPRK formally continues to operate. The problem is reviving it, particularly as the site for the nuclear power station has already been surveyed with the help of Soviet specialists.

The Russian diplomats' ostentatious benevolence apparently made a definite impression on the North Koreans. They agreed to raise the level of political dialogue between the two countries and to prepare new agreements in the trade and economic sphere. This year trade has reached a low point, falling to $100 million from $430 million last year. The first session of the commission on trade and economic cooperation between Russia and the DPRK is planned for October.

Aleksandr Panov believes that economic links can be revived through border trade, various forms of coproduction, and also Russia's participation in the international project to create the Najin [Radzhin] special economic zone.

In the past North Korea has derived much benefit from trade with Moscow, enjoying most-favored status. Supplies of oil, sets of equipment, and transport facilities from the Soviet Union to the DPRK were mainly on a barter basis. Now many North Korean enterprises have practically come to a halt because of the drastic curtailment of trade links.

Pyongyang, of course, said that it was unhappy about Russia's shift toward South Korea. It was particularly aggrieved by the fact that Yeltsin had passed to the South Koreans secret materials from Russian archives shedding light on the history of the 1950-1953 Korean War. But the topic of military-technical cooperation between Russia and South Korea was not raised at the talks in Pyongyang. The North Koreans chose not to broach the subject for the time being. But they spent 90 minutes expressing their deep concern over the lack of objectivity on the part of Russian journalists "attempting to discredit the revolutionary gains."

Tourist Trips to India Banned To Prevent Plague

LD2909103394 Moscow Ostankino Television First Channel Network in Russian 0952 GMT 29 Sep 94

[From the "Novosti" newscast]

[Text] In connection with the epidemic of pneumonic plague in India and in order to prevent the spread of the infection to the Russian Federation, the Russian State Committee for Hygiene has issued a decree on measures for the prevention of plague spreading to Russian territory. The decree prohibits the State Committee for Tourism, organs of executive power in republics of the Russian Federation, heads of enterprises, organizations, and establishments from sending tourist groups and private persons to India until further notice.

In addition, the Russian Transport Ministry has been banned from scheduling any charter flights to India and have been instructed to have all the crews flying to India immunized against plague.

Political Issues

Yeltsin Says Chernomyrdin To Stay

LD2909030094 Moscow ITAR-TASS in English 0233 GMT 29 Sep 94

[By ITAR-TASS]

[Text] Washington September 29—"As long as I am president, Victor Chernomyrdin will remain chairman of the government," Boris Yeltsin said on Wednesday at a reception in honour of Russian and American business leaders.

President Yeltsin and President Clinton who spoke at the reception focused on the development of trade and economic cooperation between the two countries, a considerable role in the development of which has been played by the Chernomyrdin-Gore Commission on Economic and Technological Cooperation.

"If, before the commission began to work, some people had doubts about Chernomyrdin as a reformer and said he would not follow this path, it is now possible to say with certainty that he is a reliable prime minister, a dependable partner of the president's, and a reliable chairman of the government of a great power, the Russian Federation," Yeltsin said.

Conflicting Reports Over Khlystun Resignation

MM2909092194 Moscow IZVESTIYA in Russian 29 Sep 94 p 1

[Unattributed report: "Agriculture Minister Hands In Resignation"]

[Text] Georgiy Satarov, the Russian Federation president's aide, has confirmed that Agriculture Minister Viktor Khlystun has handed in his resignation to Prime Minister Viktor Chernomyrdin.

"As far as I am aware, Khlystun asked to resign himself," G. Satarov said. According to him, "Khlystun has been a member of the government for a long time now and has been working with virtually no vacations." "Furthermore, as far as I am aware, he is feeling poorly," G. Satarov said. INTERFAX reports that it is not yet known whether or not the resignation has been accepted.

However, an ITAR-TASS correspondent reported from Warsaw, which the agriculture minister is visiting on official travel, that Viktor Khlystun himself said that he has not handed in his resignation.

Deputy Finance Minister Selivanov Dismissed

LD2809144494 Moscow ITAR-TASS in English 1414 GMT 28 Sep 94

[By ITAR-TASS]

[Text] Moscow September 28 TASS—The Russian Government has dismissed Deputy Finance Minister Igor Selivanov because of "a one-time rude violation of his professional duties in accordance with Paragraph 1, Article 254 of the Labour Code of the Russian Federation".

According to a high-ranking official of the governmental secretariat, Selivanov has violated an instruction of Acting Finance Minister Sergey Dubinin, which pointed out the necessity of making joint decisions.

Selivanov, on the contrary, made an important decision individually.

Kremlin Refutes Report of Aides Resigning

AU2809110194 Paris AFP in English 1007 GMT 28 Sep 94

[Text] Moscow, Sept 28 (AFP)—Four of President Boris Yeltsin's closest aides are about to quit the Kremlin in a dispute over whether Yeltsin should ally himself with Russia's reformist or conservative wings, Russian media said Wednesday [28 September].

The report was the latest in recent weeks that Yeltsin has fallen out with the advisors over whether to ally himself with the radical reformers of Russia's Choice or make a deal with the conservative opposition in the run-up to the 1996 presidential elections.

The aides, including the highly influential presidential spokesman Vyacheslav Kostikov, will step down within two or three days, NEZAVISIMAYA said, quoting "highly reliable sources." A replacement for Kostikov had already been found, the newspaper said.

A Kremlin spokesman told AFP the article in NEZAVISIMAYA GAZETA, a moderate opposition daily, was completely untrue.

The Kremlin has maintained a wall of silence over the dispute and not one of the reportedly disgruntled aides was allowed to accompany Yeltsin on his trip to the United States for his UN address and summit with President Bill Clinton.

The other aides NEZAVISIMAYA said were about to lose their jobs were diplomatic counsellor Dmitri Ryurikov, parliamentary liason Georgy Satarov and speechwriter Liudmila Pikhoya.

Rumored Splits Within Yeltsin Team Denied

LD2809202494 Moscow INTERFAX in English 1645 GMT 28 Sep 94

[From the "Presidential Bulletin" feature No. 188 (678): Compiled by Nikolay Zherebtsov, Andrey Petrovskiy; Edited by Vladimir Shishlin]

[Text] In an interview with Interfax, the Russian president's aide Georgiy Satarov denied the reports about a split in the president's team.

Such rumors began to spread shortly after the news arrived that the president's aides Lyudmila Pikhoya (the leader of the speechwriters' group), Vyacheslav Kostikov (the press secretary), Dmitriy Ryurikov (advisor in international affairs) and Georgiy Satarov (political advisor in charge of relations with parliament) had been excluded from the list of officials accompanying Yeltsin during his foreign tour.

One of the reports alleged that representatives of the democratic wing of the presidential team were in disgrace.

Satarov told Interfax that there was no logic in the arguments of some journalists, who described as disgraced democrats both those who did not go to the U.S. with President Yeltsin, and those who did go, for instance Yuriy Baturin (the president's aide in national security) and Aleksandr Lifshits (the leader of the group of experts).

There is a diversity of opinions in the presidential team, which is normal, because the president must have a variety of options to choose from, said Satarov.

"I have not heard any objections from the president, and neither have my colleagues," he added.

Dmitriy Ryurikov told a press conference in Kiev on Wednesday that there was nothing tragic about the presence of different opinions in the president's team. "It would be absurd to suppose that this or that aide might be punished for the opinions he is sharing," he said.

Vyacheslav Kostikov told Interfax in an exclusive interview that an unseen struggle of opinions was going on among the president's closest associates, including the team of aides.

"The group of aides is a complex organism, I would even say a political instrument of individual selection and development. In it, there is a wide gamut of opinions and clear-cut ideological and political preferences. This suits the president perfectly, giving him an opportunity to hear the polyphony of life and opinions. So, he is using his natural right to chose from this score the leitmotifs which best convey the political imperatives and his general strategy," Kostikov continued.

"The president is about to take vitally important decisions on the date of the elections. He is to decide whether he would seek election for another term, as a number of leaders are proposing, or use his influence to put off the elections," he said.

Kostikov Discusses 'Polemics' Around Yeltsin

MM2909082194 Moscow ROSSIYSKIYE VESTI in Russian 29 Sep 94 p 1

[INTERFAX report on interview with Russian Presidential Press Secretary Vyacheslav Kostikov; place, date not given: "Battle Under Way for Democratic President, Boris Yeltsin's Press Secretary Believes"]

[Text] "President Boris Yeltsin is and will remain in the immediate future the dominant feature in the country's political life. Under the conditions of a presidential republic he is either the generator or the conductor of the strongest political ideas." Vyacheslav Kostikov, the Russian Federation president's press secretary stated this in an exclusive interview with INTERFAX.

In his opinion, "it is not surprising that overt and covert polemics and often struggles take place around the name and position of the president. The stakes for Russia are all too high. The overtones of the political line pursued by the president will have manifold consequences domestically and externally."

Vyacheslav Kostikov pointed out that "this often unnoticed and hushed-up battle of opinions is under way even within the president's immediate entourage, including his group of aides."

"The group of aides is a complex organism—I would call it a political tool for individual selection and individual honing. There is a relatively wide spread of views within it with pronounced individual ideological and political features. This suits the president. This gives him a chance to hear a polyphony of the country's life and opinions. He has a natural right to select from this political score the themes which seem to him to best match the political imperatives of the time and his overall strategy," the press secretary noted.

Now is just such a time, Vyacheslav Kostikov believes. "We are on the threshold of the adoption of important decisions by the president on the timing of the elections and on whether he intends—as a number of leaders are proposing—to run again in 1996 or to get the elections postponed," he said.

According to Vyacheslav Kostikov, "even on the basis of the understanding that the president's mandate will be extended under any circumstances until the deadline set by the Constitution—that is, 1996—we are entering the preelection period, when things start warming up. This is a time when parties and their leaders are forced to define their positions and slogans more clearly. In other words, the time is coming to place your bets and sort out where you stand with your allies and fellow-travelers.

"A whole number of parties and movements are openly saying that they are ready to back Boris Yeltsin. This is due to a whole number of ideological and opportunistic considerations. Most parties are still not ready for a fully fledged political battle and will be unable to implement their policy goals in isolation. They are poorly structured, particularly in the regions.

"In these calculations we cannot fail to take account of the growing aggression shown by the hardline opposition, and the fact that Zyuganov and Rutskoy have to all intents and purposes reached agreement between themselves on joint action on a 'platform' of common hatred of Yeltsin and the democrats."

"For most democrats, despite some subtle differences in their assessments, Yeltsin is still a powerful political shield and battering ram behind which they can enter the political lists of the year 2000 with the least effort or losses," the Russian Federation president's press secretary believes. "Democracy's chain mail is still not long enough. Consequently, while criticizing Yeltsin for sometimes not being politically sophisticated enough, they cannot fail to realize that, in the context of the opposition's aggression and its readiness to take up the ax at any opportunity, it is the president who is democracy's armor."

"But this does not mean," Vyacheslav Kostikov pointed out, "that the democratic public is totally indifferent to how the ideological contours around the president himself are changing. Will he remain the democratic president that we knew in 1991 and 1993? Or will opportunist motives emerge in his behavior under the pressure of a number of factors, individuals, and circumstances? In other words, the famous dilemma of power—power at any price or power for the sake of pursuing reform and democracy."

"But, whereas politicians in countries with an established system of democratic institutions and stable democratic traditions and habits—not least among the general public—can permit themselves to drift toward opportunism as a result of short-term considerations, for Russia such a drift on the part of the state's top man would be very dangerous," the Russian Federation president's press secretary believes. "After all, the fragile edifice of democracy, whether we want to admit it or not, is based on the massive figure of the president."

"In essence, public polemics are developing around this main subject, including among the group of aides. Reducing logic to its simplest formula, I will say this—a battle is under way for a democratic president. And, in essence, for the coming period in Russian history. All the rest is emotion and the dust behind the political scenes," Vyacheslav Kostikov noted in conclusion.

Yeltsin Congratulates Electoral Commission

LD2809221494 Moscow ITAR-TASS World Service in Russian 0840 GMT 28 Sep 94

[By ITAR-TASS correspondent Lyudmila Yermakova]

[Excerpts] Moscow, 28 Sep—"One year ago the active process of reshaping Russian statehood got under way in the country. The Russian Federation Central Electoral Commission played a decisive role in running the subsequent election campaign." This is stressed in President Boris Yeltsin's greeting to the Central Electoral Commission. The commission received the congratulations on the eve of its first anniversary, its press service told ITAR-TASS. [passage omitted]

In his message, the president expressed hope that, "since all political institutions in the country are now confirming their desire for public accord, the Central Electoral Commission, as a repository of civic and democratic initiative, will make its own contribution to building the Russian state and will promote the fuller exercise by citizens of their constitutional rights."

Nemtsov on Presidential Contenders, Reform

MM2809150994 Moscow ROSSIYSKIYE VESTI in Russian 27 Sep 94 p 2

[Interview with Boris Nemtsov, governor of Nizhniy Novgorod Oblast, by Natalya Koposova, under the rubric "The Governor Speaks"; place, date not given: "Do Not Think That Regional Officials Are Better Than Those in Moscow"]

[Text] [Koposova] Boris Yefimovich, people are saying that the new president will come from the provinces.

[Nemtsov] Do not think that regional officialdom is any better or worse than its Moscow counterpart. Officials are the same everywhere. A politician's territorial affinity to this or that region is of no significance for the outcome of presidential elections or for participation in them. It is the individual's sense of responsibility that plays a role here and, ultimately, his brains.

[Koposova] What about charisma?

[Nemtsov] Yes, undoubtedly. Any politician, especially in Russia, must have that quality. But the main thing that would be extremely useful for the country is that the future president should love people. Unfortunately, among today's politicians, including those in the opposition camp, there are quite a lot who are prepared to ride roughshod over people for the sake of their own personal political interest. The majority of opposition members are normal people but, regrettably, it is those who possess a certain "schizoid charisma" who have a greater chance of winning the elections.

[Koposova] Who, in your view, could be a contender for the presidency at the moment?

[Nemtsov] I believe that quite a lot of people could take part in the presidential campaign and each of them could be a good president. They include Viktor Chernomyrdin, the present prime minister, Ivan Rybkin, chairman of the State Duma, and Grigoriy Yavlinskiy.

[Koposova] You mentioned the chairman of the State Duma. Do you see the chairman of the Federation Council in the same light?

[Nemtsov] There is a limit to political cynicism. You can say that the democrats wrecked the country and transformed Russia into a colony—that is not political cynicism but a form of playing with words which has a powerful effect on the public. However, the proposal to extend one's own powers for a couple of years more, for example, is political cynicism. I do not believe that such a figure can be president.

[Koposova] Can Ivan Rybkin be regarded as one of the opposition today?

[Nemtsov] No. I have known Ivan Petrovich since 1990. And what I am about to say is probably a strange thing as far as he is concerned. He is a really pragmatic and flexible politician. Initially it seemed to me that he was like Gorbachev. Now I understand that he has completely clear social democratic convictions and no desire to reverse history, unlike the opposition.

[Koposova] Do you think that they really want to reverse history?

[Nemtsov] They are undoubtedly trying to turn some things back. For example, they are trying to recreate elements of the planned economy: monopolistic and distributive elements.... The result of that would be an extremely corrupt state capitalism.

[Koposova] You condemn political populism, but what are people to make of your strenuous advocacy of the idea of elected governors? Your view that governors should be elected, not appointed, is well known....

[Nemtsov] The opposition is very much afraid of elections of governors because it is not strong enough to win everywhere. It is far better for the opposition to seek victory in the presidential elections alone and then appoint its own governors in one fell swoop rather than try to win in all 89 regions of Russia. The opposition's thesis is fairly cunning.

As for my own position, it is conditioned by the nature and continuity of the political process in the country. It can only be accomplished through elections. Incidentally, then there will be a variety of hues in the country, but that will reflect the opinions of people living in Russia. If you bear in mind that today both the right, the left, and the present authorities really do not have an appropriate path for the development of the country, the kind of diversity that will result from the elections of governors will be very beneficial to the country. There will be a certain rivalry between regions and the achievements of one region could set an example for others. And vice versa.

[Koposova] But in that case is there not the risk that a good idea might be stifled if it is implemented by a bad team?

[Nemtsov] The fear that if governorships become elective it will be impossible to implement the reforms seems to make sense—it is not clear how a single system of management can be achieved. But the experience of appointed governors shows that even though they have been "imposed" by one man, this certainly does not mean that they will all carry out his will completely. We can see how in some regions the process of reforms is developing flexibly and successfully, but in others it has not even started. Meanwhile, it is also interesting that those governors who have been elected—Nozhikov, Zubov, and Stroyev—are actually implementing the reform despite their formal independence of the president.

[Koposova] What can you tell us about Yegor Stroyev?

[Nemtsov] He is one of the few governors in the country who has begun to tackle the land reform. Stroyev is an extraordinarily pragmatic man. For him the political hue of any given document is far less important than the dividends that he can achieve from implementing a given program. As an agriculture specialist, he understands better than anyone that unless the kolkhoz system is reorganized and modernized, agriculture cannot be made efficient and Russia's humiliating dependency not only on Western technology but also the Western food market cannot be ended.

Liberal Organizations Form Coordination Council

MK2809153094 Moscow SEGODNYA in Russian 28 Sep 94 p 2

[Report by Gleb Cherkasov under the "Contenders" rubric: "'Genuine' Liberals Intend To Fight for Every Voter"]

[Text] Boris Fedorov and Irina Khakamada, "Liberal Democratic Union of 12 December" leaders, announced in a press conference yesterday the formation of a Coordination Council of liberal organizations joined by the Liberal Democratic Fund led by Boris Fedorov, the Liberal Women's Fund (president, Irina Khakamada), the Liberal Youth Union (leader, Stepan Orlov), an a number of other organizations. The new structure is supposed to foster a better information exchange between the "genuine" liberal organizations. Besides, the "Decembrists'" leaders announced the creation of a Russian section in the Liberal International.

Boris Fedorov urged that democratic organizations snap out of their "semi-slumber" state and cast aside "defeatist sentiments." Mr. Fedorov feels it is time "to pocket personal ambitions" and undertake real efforts to unite on a "pragmatic basis" rather than around separate individuals. Irina Khakamada in her turn expressed the hope that the unification of liberals that took place will create "neutral soil" for unity of the democratic forces. Fedorov and Khakamada insist on holding a congress of democratic forces. Mr. Fedorov pointed out that the liberals intend not only to fight for the democratic electorate proper but also for Zyuganov's and Zhirinovskiy's voters. Boris Fedorov pointed out that no popular slogan should be surrendered to the opposition. The "Decembrists" voiced the intention to create a compact political structure. "If we do not engage in organizational development of the parties, to yield a real result by the year 2015, we are going to live in a country with all parties banned," Boris Fedorov stated. In her turn, Irina Khakamada pointed to the need to promote and train young politicians, citing as an example Stepan Orlov, Liberal Youth Union chairman, "so far unknown to anyone."

Boris Fedorov Criticizes Size of Government

MM2809134394 Moscow IZVESTIYA in Russian 27 Sep 94 p 2

[Article by State Duma Deputy Boris Fedorov: "If I Were Prime Minister..."]

[Text] The stock question is: What would you do if you were premier? Using the style of the well known rubric "If I Were a Director," I shall try to outline the reorganization of the government's work in the first 100 days (I shall talk about the essence of the policy another time).

The White House will be given back to the Duma because it is not needed and the premier will move to what is presently the Marx-Engels Museum on Volkhonka Street, a building which is ideally suited to the head of government's residence. The staff will be **reduced to 300 aides, consultants, and secretaries and those departments which duplicate ministries will disappear**.

The institution of vice premier will be abolished—ministers will be ministers and we shall take their appointment more responsibly. In the absence of the premier there will be a simple procedure of substitution (the foreign minister, then the finance minister, and so forth).

The building on Volkhonka Street will have a room with an oval table for the 25 cabinet members and the premier's place will be not at the head of the table but in the middle as a reminder that he is not the chief minister [nachalnik ministrov] but the **first minister**.

At its sittings the government will no longer tackle such questions as the "coefficient of ewes expressed in standard head," milk fat norms in Chukotka, and the presentation of pistols as gifts to foreign friends but instead will deal with socioeconomic policy.

Some 75 percent of the questions which are currently formulated as government decrees and directives will be handed over to the relevant departments, whose **responsibility and accountability will be sharply increased**.

On day one the premier will take some scissors and sever the six or seven telephone hot lines on the desk which are of no practical significance and which **make us the laughing stock of the whole world.** The number of people under protection in Russia will be reduced about tenfold although today agriculture, for example, needs to be protected from its leaders.

The principle of "random" selection in the choice of government members will be abandoned, instead **a team will be chosen which is united by common views** on the fundamental questions. This means that at least 90 percent of the government members will have to be replaced.

It is time to dispel the myth of the distinction between "practical" and "theoretical" workers. Why is it, for example, that commercial firms do not want to take on people with experience in the Soviet public catering or hotel business but any director is automatically considered very experienced when it comes to leadership of a sector or of the whole economy **in market conditions which are new to him**.

It is also wrong to contrast "professionals" and "politicians." There is nothing worse than a politician at the level of a chief of administration but a bureaucrat at the level of minister with no obligations to the voters or commitment to the reforms is no less dangerous.

Let us continue. The premier will identify 10-15 absolutely specific tasks which the government must resolve within 1-2 years (for example, housing, taxation, the fight against crime) and **will be answerable for their solution according to a rigid timetable**.

The premier will cease to "offend" parliament and will improve propaganda, including the provision of information to deputies on an individual basis, regular meetings, lunches and dinners with committees and factions, and the explanation of policy. The premier will appear on television each week and there will be articles, publicity, posters press conferences, and brochures for the masses.

The number of ministries and committee members will not simply be reduced to 25. Useless ministries will be closed down and their functions will be merged with the more powerful ministries. There will be new departments, including **a committee for the affairs of veterans, an agency for the regulation of the securities market, and others**.

In addition to his ministry, each cabinet member will head a group of lower-level departments (whose leaders are not members of the government). The number of deputy ministers will be limited to two-four, since the need to accompany a vice premier on his travels will disappear.

It goes without saying that the Defense Ministry will be headed by a civilian after the purely military questions and the political and economic questions have finally been separated (the General Staff and the commanders of the various categories of troops exist for the military questions). The MVD [Ministry of Internal Affairs] will finally take charge of the country's internal affairs, the fight against crime on a national scale will be concentrated in a new department based on the MVD and the Federal Counterintelligence Service, and the centralization of the inflated but ineffective security organs will be stepped up.

For top civil servants an official declaration of income and increased penalties for corruption will be introduced and civil servants will be banned from receiving "gifts." **The proportion of expenditure on administration will be reduced and "frozen"** but on the other hand the reduction of the apparatus will be used to increase pay.

The premier will introduce a procedure whereby attempts by officials to apply pressure and telephone lobbying will be regarded as grounds for dismissal if the matter concerned falls outside the remit of the individual in question.

The premier will stop making high-profile tours of the country where petitions are collected and impossible promises are made. The premier will remain at the center to coordinate the work of the government and will only travel to make (spot) checks and speeches to the people, not the bosses. It would be a good idea to pay unannounced visits to ordinary hospitals and old people's homes and to travel by subway and public bus. There is no point in paying ostensibly serious visits to "sham" shops and farms.

There will be an end to the **theatrical and ceremonial quarterly sittings of the government where nothing is decided** and essentially nothing is discussed. All conferences must discuss a concrete problem of state importance and resolve it.

The premier will reach agreement with the president on the separation of powers so that petty decisions are not formulated as edicts and lobbyists do not try to get their questions resolved via the president. And, of course, the president will not issue instructions on spending which is not included in the budget. The premier must become more than just an economist because he is the number two official in the country.

I could list hundreds more common-sense innovations but none of these things can be achieved without real power—although they will have to be done—or without a clear government policy. What do the readers think? **Whether you agree or disagree I would urge you to write to me and give me your suggestions. Perhaps together we will get things moving? My address: B.G. Fedorov, the State Duma, Moscow.**

Government Resignation Bid Seen Losing Steam

MK2809131094 Moscow SEGODNYA in Russian 28 Sep 94 p 2

[Report by Petr Zhuravlev based on INTERFAX materials under the "Aspirations" rubric: "State Duma Opposition Does Not Want the Entire Government To Step Down. It Will Request a Report From the Council of Ministers, and After That the Most Disliked Ministers Will Be Fired Selectively"]

[Text] A resolution on no-confidence in the government, which, as expected, the State Duma will be asked to pass at the beginning of its fall session, could once again, as was the case last spring, fail to win the requisite number of votes. At any rate, it is not all that evident that the communists and the agrarians would vote for it.

Viktor Zorkaltsev, deputy chairman of the Communist Party of the Russian Federation Central Executive Committee, thinks that raising the question of the government's resignation now would be premature—"the government should report about the execution of the budget in the first nine months, and only then could a decision be made on whether we should demand that the whole government, or just some ministers, step down." According to Mr. Zorkaltsev, the communist faction has not definitely made up its mind, but it is planning to do so just before the session starts.

Vladimir Isakov (Agrarian Party faction), another influential State Duma opposition member, also said yesterday that he is not "an advocate of the idea" of a government resignation—"under the Constitution, domestic and foreign policies are determined by the president, and the government only puts his designs into practice. So, what is the use of beating a dog who only does what you tell him?"

Even Sergey Glazyev, who is considered the main driving force behind the campaign for the government's resignation, said yesterday that he is not going to raise the question of firing all ministers.

All this does not mean, however, that the opposition plans are not destined to materialize. The point is that no one has actually planned seriously to change the entire lineup of the Council of Ministers. The issue is just a number of figures, first of all Anatoliy Chubays, Andrey Kozyrev, and Viktor Yerin. Mr. Glazyev himself apparently expects to assume the post of finance minister.

It should be acknowledged, though, that if the opposition manages to achieve these objectives, raising the question of firing the rest of the government afterward (with a few, albeit fairly serious exceptions) would make fairly little sense for it.

LDPR To Act as Independent Force Within Duma

LD2809224794 Moscow INTERFAX in English 1927 GMT 28 Sep 94

[Text] The Higher Council of the Liberal Democratic Party of Russia (LDPR) decided that the LDPR and its faction in the State Duma would act as an independent political force and did not intend to bloc with other organizations, although it had received such offers, an LDPR leader, State Duma Vice Speaker Aleksandr Vengerovskiy told Interfax today.

Vengerovskiy stressed that the LDPR faction would not be the first to demand that the government of Viktor Chernomyrdin resign but would support such a demand if it came from other parliamentary factions.

Vengerovskiy said the LDPR was currently backed by 65-70% of voters in the Far East and in the North and 42-50% in Central Russia.

Vengerovskiy said that the LDPR would not participate in any actions which would destabilize the situation, intended to follow the spirit of the Public Accord Treaty and would do its best to prevent the repetition of any events similar to those of October 1993.

Vengerovskiy said the LDPR supported the idea of holding presidential and parliamentary elections in Russia simultaneously, in June 1996. He added that the LDPR was ready to hold the elections earlier.

Unions' 'Fall Offensive' Pondered

MM2809144994 Moscow KOMSOMOLSKAYA PRAVDA in Russian 27 Sep 94 p 2

[Report by Aleksandr Kalinin: "Lump of Coal Smolders Again. Workers Off to Moscow To Extract Debts"]

[Text] "We are prepared to take up to 2,000 miners to Moscow and organize pickets not only of the White House but also of other government buildings," Ivan Mokhnachuk, a coal workers union leader, said at a meeting with journalists.

Let me recall that this spring the miners "battered the government with their helmets" until it agreed to clear wage debts. In fall the situation is apparently repeating itself. Miners in Rostov-na-Donu, Tula, and the Urals, annoyed by the constant delays in paying wages, are again scaring the authorities with political slogans and resignation demands. But the trade unions are afraid of going as far as striking, fearing that they will cause an undesirable retaliatory reaction from the state. It is known that the government has recommendations from the International Bank for Reconstruction and Development to the effect that most of Russia's mines and reserves should be closed, the coal sector essentially run down, and thousands of people simply thrown onto the street. So far the White House has supported "Rosugol" policy, aimed at the gradual liquidation of unprofitable enterprises with simultaneous social protection measures for workers at the mines being closed. In this situation it is becoming dangerous to "tease the geese," and a strike, the proletariat's biggest cobblestone, will probably give way to picketing in the next few years.

Fall is the traditional time of trade union activity. Potatoes have been harvested at dacha plots and people are returning to their workplaces. While in summer the enforced leave was at least to some extent relieved by efforts in the vegetable patch and by collecting mushrooms and berries, in fall the illusions of at least some stability are crumbling as leaves are falling. The production slump continues, unemployment—headline and underlying—is increasing, and delays in paying wages continue. It is the right time for opposition politicians and trade union functionaries to call the people onto the streets.

The Federation of Independent Trade Unions of Russia [FITUR] was first to announce a fall offensive. Its General Council's Executive Committee has decreed that a protest action in the form of rallies and processions will be held 27 October throughout Russia.

The coordinating council for the defense of the social and economic interests of working people in the textile and light industries has sent a special appeal to the provinces. "The absence of a state program to stabilize the work of textile and light industry enterprises and of a concept for its structural reorganization in new economic conditions, tax and credit policy at the center and in the provinces, and the vast debt for output delivered by enterprises have given rise to a process of ubiquitous production cuts, the looming threat of enterprises' bankruptcy, and the growth of unemployment," it says. "Indigence and starvation threaten the sector's workers and their families. A number of measures to stabilize the sector's work are either not being fully implemented or are being ignored by state structures and local organs of power." Demands to the government, to Russian Federation components' executive branch organs, and to enterprises' managements have been formulated. The demands to the government include the demand to classify the textile and light industries as priority sectors.

Agricultural machine building workers are suffering no less than textile workers. Seventeen enterprises are idle and the rest are working three or four days a week. But, I was told by the sector union's central committee, people are not prepared to take any vigorous action—they are frightened of losing their jobs altogether.

Certain heavy machine building plants have announced a possible short-term strike. In order to forestall spontaneous actions, a letter has been sent to plant trade unions. According to the reports being received, labor collective meetings support FITUR's call to hold a protest action 27 October, and the demands include the implementation of adopted agreements, jobs, and wages.

Gas and oil workers will take part in the rallies and processions with machine builders.

Metallurgists, on the contrary, reacted skeptically to the FITUR initiative. "It is doomed to failure because it has been thought up by the people at the top." But this does not mean that they are satisfied with the state of affairs in the economy. A plenum of the sector trade union is expected in mid-October, and it will determine how to behave toward the authorities in future. For the time being collectives are discussing a letter to the president and Duma on the question of a possible vote of no confidence in the government.

Social and economic difficulties are prompting not only the trade unions but also the political opposition—both left- and right-wing—to take vigorous action. Everyone is now desperate to be a defender of the people, thereby intending to earn political dividends. In the summer many of the slogans, demands, and declarations which are going to be put out in October by pickets and demonstrators in Moscow were rehearsed in the oblasts, where big meetings and aktiv sessions convened.

Public Chamber Discusses Human Rights

MM2809120994 Moscow ROSSIYSKAYA GAZETA in Russian 27 Sep 94 p 4

[ITAR-TASS report: "Recommendation to the Russian Federation President"]

[Text] The participants in the Public Chamber sitting held 24 September have adopted a recommendation to the Russian Federation President "On Measures to Ensure the Observance of Human Rights and Freedoms and Citizens' Rights and Freedoms in Russia." It notes in particular that, having examined the report of the Human Rights Commission under the Russian Federation President "On the Observance of Human and Civil Rights in Russia" and the draft federal program of action in the sphere of human rights, the Public Chamber under the Russian Federation president believes that the Russian Federation has embarked on the path of overcoming the consequences of totalitarianism and the command system of administration, and constructing a rule-of-law state. The situation in the sphere of freedom of speech, religion, opinion, and freedoms has improved. The foundation for the movement in this direction has been the Russian Federation Constitution.

Nevertheless, the document adopted by the Public Chamber contains a thesis on the "violation of norms proclaimed in the Constitution, existing laws, and international agreements in the sphere of human rights and freedoms." In particular this means the lack of any effective protection of the citizens against departmental and official arbitrariness, manifestations of crime, and also other social phenomena.

Members Say Public Chamber May Disband

MK2909110094 Moscow KOMMERSANT-DAILY in Russian 29 Sep 94 p 3

[Report by Natalya Arkhangelskaya: "Public Chamber Sitting. The Chamber Threatens To Disband"]

[Text] In a press conference yesterday, members of the Council of the president's Public Chamber threatened the head of state, who disregards them, that they might disband.

Members of the Council are vague on the status of the chamber, which was conceived as a tool of dialogue between the authorities and society. In the meantime, the speakers thought, the authorities have no use for dialogue. Council members think that since the chamber is "under the president" it would be natural for the president to attend sittings of the body created specially for him, rather than repeat the mistake he already made in regard to the Supreme Soviet and the Duma. The voice of the chamber, proposing to the authorities its own ideas concerning sensitive points of society, has not been heard at all so far: the president does not need the ideas. Council members hate to see the chamber turning into "an appendage of the president's staff," and Byzantine-style court morals are rapidly overtaking this public assembly—manipulation of the agenda and list of speakers, curtailment of openness in work, and so on.

Besides, while not feeling exactly pleased with being an appendage of the staff, members of the chamber fear that in turning the chamber into some sort of "expert-lawmaking" body, but one more tame and docile than parliament, they may be brought to a head-on collision with the Federal Assembly.

Kronid Lyubarskiy, member of the Council and human rights activist, set the record straight, saying that the chamber resulted from the Constitutional Conference that drew up the Fundamental Law currently in force, to whose fate members of the chamber are not indifferent. In the meantime, their attempts to challenge violations of the Constitution are being cut short. The Council demanded that the agenda include the questions of Shumeyko's unconstitutional proposal on the election date, of Mayor Luzhkov's being a "habitual violator" of the Constitution, of excluding the Liberal Democratic Party of Russia from the chamber—but the demands were blocked by the president's staff. Members of the Council announced that they are thinking about quitting the chamber because their efforts are losing sense. The first to realize this were the people from the regions—fewer and fewer of them are coming to the sessions. The Council members' threats may prove not totally empty: Presidential aide Georgiy Satarov speaks volubly and well about an effective mechanism he is putting in place for the president's cooperation with the public, while yesterday's press conference may be used by Satarov's opponents as an instructive illustration for his tales.

Draft of Security Doctrine Discussed

LD2709192094 Moscow ITAR-TASS in English 1451 GMT 27 Sep 94

[By ITAR-TASS correspondent]

[Text] Moscow September 27 TASS—A meeting of the Inter-Departmental Commission for Public Security under the Russian Security Council and a scientific conference held here today have discussed the draft doctrine of public security in the Russian Federation.

This document was elaborated on the basis of proposals submitted by the ministries and agencies concerned, as well as by leading Russian educational and scientific centres with due account of the country's Constitution and law on security. It also takes into account the current state of public security in the Russian Federation.

The conference was attended by heads of ministries and departments, leading political scientists, sociologists, experts in state law and management, heads of major higher law schools, scientific research centres and institutes.

They noted the need for such a doctrine, because there is still no effective mechanism to ensure public security in Russia, taking into account the conditions in which the Russian statehood is now developing, the ongoing democratic reforms and the emerging new public relations system. The absence of such a mechanism prevents the protection of all the vitally important interests of individuals, as well as the interests of the Russian society and state from unlawful encroachments, from the consequences of social conflicts, natural calamities, disasters, and other emergency situations.

The participants of the deliberations deemed timely the preparation of a doctrine of social security. They stressed the need to link its provisions with the concept of Russia's national security and advanced several proposals to improve the submitted draft which, most specialists believe, could be accepted as the basis for further discussion.

The Inter-Departmental Commission of the Russian Security Council decided to approve the doctrine of the Russian Federation's public security with due account of the expressed remarks and wishes and to recommend the Government of the Russian Federation to publish the draft in the press for nation-wide discussion.

Dismissal of Sociopolitical Center Leader Viewed

MM2909124994 Moscow ROSSIYSKIYE VESTI in Russian 29 Sep 94 p 2

[Report by Feliks Babitskiy: "Stankevich Removed As Russian Sociopolitical Center Leader"]

[Text] The other day Boris Yeltsin issued a directive on the reorganization of the Russian Sociopolitical Center. This document relieved Sergey Stankevich, the center's leader, of his position, which will now be taken by Aleksey Salmin.

Since in Russia "cadres decided everything" long before the author of that phrase was born, every institution here is created for a specific politician, and its reorganization is required just as much as a change of theater set accompanies the entrance on the stage of a new character. In this connection we should take another look at the man on the way out and at his successor.

Sergey Stankevich is a historian and a specialist in the formation of civil society in the United States. That is why his interest in the first communities of Russian "informals" was natural. Admittedly, back in the late eighties malicious tongues were saying that he was actually tasked by party organs to take charge of the emergent political opposition. But there was and is no documentary confirmation of that, and there were not very many rumor-mongers. Consequently, for veterans of the sociopolitical movement—whatever parties they may belong to now—Sergey Borisovich remains a "first-wave" informal politician [politik-neformal].

His great activeness and prestige in opposition circles in 1989 and his skillfully organized election campaign allowed him to defeat his rivals in the elections to the USSR Supreme Soviet and the Moscow City Soviet. He won press attention with his bold speeches in the Kremlin. His knowledge of all the "political groupings" that steadily transformed themselves into our new multiparty system made him the most authoritative expert in the sphere of so-called public relations. All this allowed Sergey Stankevich to take charge of all this kind of work in the top organs of power in Russia and Moscow as, respectively, deputy chairman of the Moscow City Council and presidential adviser on relations with public organizations.

Incidentally, because he was unable to be in two places at once, Mr. Stankevich clearly neglected the first of these jobs, while, as they say, failing to justify the faith placed in him in the latter. He was expected to take resolute action to consolidate pro-presidential forces. But he made a major mistake in calling for restraint from both sides during last year's October events, when there was already shooting in the streets and the body count was already in the dozens.

No reprisals followed, but Sergey Borisovich was demoted to leader of the Russian Sociopolitical Center, thereby losing direct access to the president.

In addition to this career profile it can also be said that in the "pre-Gaydar" period the only politicians from the democratic camp to be accused by the "hardliners" of corruption more often than Stankevich were Popov and Zaslavskiy. Strangely enough, some of the democratic mass media have now unexpectedly joined in these accusations, predicting of late not just his resignation.

ROSSIYSKIYE VESTI (see the 17 November 1993 issue) has also criticized Sergey Stankevich for his poor leadership of the Russian Sociopolitical Center. Specifically, for not taking a clear-cut stance over property that had been seized by the Komsomol Central Committee. As a result, the property remained in the same old hands, but under different, often commercial names. But our voices were not heeded at the time. And, it seems, for no reason.

As for the Russian Sociopolitical Center's new leader, all we know about him is that he is a recognized "PR" expert, and, judging by everything, he will arrive in his new job with an entire team which had previously often done research for the Gorbachev Foundation.

Former Leader Says Dudayev Regime 'Doomed'

LD2809205794 Moscow INTERFAX in English 1727 GMT 28 Sep 94

[Text] "Dzhokhar Dudayev's regime is doomed, this is a question of a few days—the people will not have him on their backs any longer," the former Communist leader of the Chechen-Ingush Republic, Doku Zavgayev, said in an exclusive interview with Interfax Wednesday. At the moment, Zavgayev heads the Social and Economic Department of the Russian presidential staff.

According to Zavgayev, "the crisis in all spheres of life has redoubled with an orgy of lawlessness and impunity has come to the limit in Chechnya." Zavgayev called Dudayev's wasting "people's assets converted in oil dollars for mercenaries recruited throughout the CIS" the most dangerous element of the criminal regime.

Commenting on the peacekeeping activities of the former speaker of the Russian parliament, Ruslan Khasbulatov, Zavgayev said that "he had better dedicate himself to his science rather than to what he is not fit for" and continued: "First he sets the house of the Chechen and Ingush people on fire (a reference to Khasbulatov's support of Dudayev in 1991 when the latter disbanded the Chechen-Ingush parliament - IF note), and then he rushes in with an extinguisher..."

Asked whether he planned to return to Chechnya, and if so, then how, Zavgayev answered that he would definitely return there. As for his future role, he said it rested with the people to whom the former party leader had to "work off his debts."

Asked about Dudayev's short-term prospects, Zavgayev was quite categorical: "I do not know what awaits him in this world, but he has surely reserved himself a place in hell."

Economic Issues

Premier Says Manufacturing Nearing 'Lowest Point'

LD2809224394 Moscow INTERFAX in English 1927 GMT 28 Sep 94

[Text] The Russian manufacturing industries are nearing the lowest point in their performance, Russian Prime Minister Viktor Chernomyrdin said in Moscow Wednesday.

He told a delegation of the European roundtable of industrialists that the decline of industrial production ended in the second half of 1994 and that the monthly industrial output had not dropped over the last three months.

Chernomyrdin emphasized that as economic stabilization and revival became a realistic possibility. Foreign investments had a decisive role to play. He said that the Russian government was not very pleased with the scale or rate of foreign investments in the Russian economy. According to Chernomyrdin, direct foreign investments in the Russian economy totaled as little as $2.7 billion while the world's total was nearly $200 billion.

He said that important bills on international investment cooperation would be submitted to parliament this fall. They will provide economic benefits for businesses with foreign investments within free trade areas and enable the terms of concession treaties and agreements on product sharing to be maintained as long as these contracts are valid.

Chernomyrdin admitted that the absence of a permanent federal body dealing with foreign investments had been a major obstacle. Now this will be a function of the Economics Ministry which has set up a Russian Federal Center of Project Financing and Consulting and Technical Assistance which will evaluate projects while the State Registration Chamber will register companies with foreign capital and accredit foreign companies. An information center on foreign investments will operate a data bank of investment projects, the legislation and the taxation system.

Chernomyrdin expressed the hope that these steps will contribute to the recovery of the country's economy and Russia's integration into the world economy.

Officials Comment on 1995 Budget Prospects

MM2909080594 Moscow ROSSIYSKIYE VESTI in Russian 28 Sep 94 p 1

[Report by Igor Petrov under the general heading: "Budget-94 Implementation Will Not Exceed 65 Percent"]

[Text] The draft budget message for 1995 has not yet left the walls of the Ministry of Finance but has already provoked fierce argument among economists. In principle this is not surprising. The federal budget is the government's basic financial document and by its contents it will be possible to judge not only the main priorities but also the cabinet's action program as a whole.

The harshest criticism has been leveled at the government's budgetary policy by Boris Fedorov, ex-minister of finance and head of the "12 December Union" deputies' faction. In his opinion, the situation with the 1995 budget will be very similar to what it was at the end of 1993. Then there was tremendous pressure on the Ministry of Finance, since nonpayments from the budget totaled 7 trillion rubles [R], and nobody cleared the debts the next year. Today actual nonpayments could reach R60 trillion, and lobbyists of every stripe will make the maximum effort to "wrest" this money from the government before the end of the fiscal year.

"I believe that there are no grounds for expecting a fundamentally new approach to budgetary policy in the immediate future. Under conditions when the government does not rely on a party or even on a coalition of parties with a majority in parliament, no one will want to display political will and really resolve the major problems connected with subsidies for the economy and the regions and with the collectibility of taxes. Consequently, the 1995 budget will be formed in approximately the same style as before: The Ministry of Finance plans, while the premier modifies everything according to personal sympathies and pressure from various lobbies," B. Fedorov told ROSSIYSKIYE VESTI's correspondent.

As regards the specific budget estimates which have filtered through to the press, the ex-minister was quite categorical, pointing out that they are a fiction, since it makes no sense to speak of any real figures given the 60-percent collection of taxes.

Whereas Boris Fedorov, the chief liberal in the State Duma, altogether denies the government's ability to form a real budget for 1995, referring more to the political state of affairs, his colleague Sergey Glazyev, chairman of the Duma Committee for Economic Reform, does not venture to make forecasts owing to the impossibility of assessing the situation with this year's budget. According to him, not one point in the 1994 budget is being fulfilled: Revenue and expenditure are lagging one-third behind the planned volumes, while the budget deficit is 30 percent above the maximum permissible level. Not even a massive transfusion of financial resources into the economy in the fourth quarter will make it possible to fulfill this year's budget within the approved parameters.

What stand does one of the chief bakers of the budget pie—the Ministry of Finance—take on this ticklish question? Sergey Dubinin, in an interview with ROSSIYSKIYE VESTI's correspondent, did all he could to avoid revealing any specific figures—the process of coordination is still to come. He did say, however, that the main parameters of the 1995 budget have already been outlined in general terms. Whereas it is too soon to speak of how much it is proposed to give to whom, the chief guideline—a deficit of 5-6 percent of GDP—will be strictly adhered to. This figure will take into account all claims by ministries and regions, which, according to initial estimates, incidentally, exceed the budget's possible revenue by at least three times.

Gaydar Criticizes Chernomyrdin Policy

LD2809204094 Moscow INTERFAX in English 1727 GMT 28 Sep 94

Yegor Gaydar, leader of the Russia's Democratic Choice Party and the Russia's Choice parliamentary group believes that radical reshuffle of the government or, even more so, its resignation would be extremely dangerous and undesirable.

On the other hand, he sharply criticized at a news conference in Moscow Wednesday the activities of Viktor Chernomyrdin's cabinet which could lead to a long-term stagnation which would not be overcome by mid-1996, making it difficult for progressive forces to do well in the elections.

Gaydar [said] that the plummet of the ruble against the dollar created panicky demand for that currency and this aggravated the inflation which was bound to increase in the fall. He emphasized that this was the outcome of the government policy last summer when the fraction of the cash in the gross domestic product increased sharply.

Gaydar explained that the government had to resume its tight policy of the fall of 1993 and the spring of 1994 to make the inevitable growth of inflation in the fall an episode which put off rather than killed the hope for, improving the country's financial health [sentence as received]. Answering an Interfax question he said that it was necessary to reduce drastically the financing of the budget deficit with Central Bank's credits. For this purpose the government has to tighten the crediting policy, in particular in purchases of farm products.

Warns of Possible Increase in Inflation

LD2809225394 Moscow ITAR-TASS World Service in Russian 1428 GMT 28 Sep 94

[By ITAR-TASS correspondent Pavel Kuznetsov]

[Text] Moscow, 28 Sep—There will be an increase in the rate of inflation in the country this autumn if the government does not go back to the "restrained financial policy" that it carried out at the end of 1993 and the beginning of 1994, Yegor Gaydar, director of the institute of economic problems of the period of transition, believes. He stated this at a news conference today.

He said that, prior to March of this year, the government's financial policy was "sensible and settled," which led to a fall in the rate of inflation in spring. The rate of growth of the money supply slowed, people's savings began to grow, the volume of credits began to increase, and interest rates began to fall.

Today, in Gaydar's opinion, the situation is at a "turning point." Since April 1994, he noted, the rate of growth in the money supply has gradually crept up, and emissions are increasing. As a result, Gaydar believes, interest rates will inevitably start to increase, and the dollar rate will also go up, thus "boosting an acceleration in the rate of inflation this autumn." The government, he stressed, must recognize the "entire fruitlessness of the policy of pumping money into the economy;" otherwise, there will be a further outburst of inflation. In order to avert this, in Gaydar's opinion, the government must, first and foremost, reduce the size of its financing of the budget deficit.

He also said that he anticipates acute changes in the dynamics of unemployment, which, he says, will continue to increase by approximately 100,000 a month. Apart from this, Gaydar believes that in autumn "there will be more strikes, which is linked with the natural logic of the political cycle." First and foremost, he stressed, this will affect enterprises of the military-industrial complex that have not received cash for output they have already produced for a long time.

Gaydar emphasized that he had staged the news conference as an economist and declined to answer journalists' questions that were connected with politics.

Dollar's Rise Signals Change in Central Bank Policy

MK2809160094 Moscow SEGODNYA in Russian 28 Sep 94 p 1

[Report by Rustam Narzikulov under the "Elements" rubric: "Central Bank Changes Currency Policy. Dollars Is Rising in Leaps Once Again"]

[Text] At yesterday's trading session at the Moscow Interbank Currency Exchange [MICE], the Russian Federation Central Bank, as was the case 22 September, did not make any attempt at least partly to smooth over a huge gap between the hard currency on offer ($57.15 million) and demand of $273.7 million, which sent the dollar soaring by as much as 55 rubles up to 2,476 rubles for one dollar.

High-ranking Central Bank representatives claim that the bank's refusal to try to stabilize the exchange rate fluctuations was caused by the extremely complex situation on the currency market and the futility of wasting its hard-currency reserves to fight the feverish demand for dollars.

In their view, the Russian Federation Central Bank cannot yet determine "a new plateau" at which exchange rate leaps would stop.

The Central Bank spokesmen could not explain, however, whether the cessation of currency interventions was a temporary phenomenon or whether this was a deliberate decision to give the MICE "more leeway."

Meanwhile, the Central Bank, as the regulator of the money supply, has the most complete information about changes in money creation and, hence, can forecast more accurately than anyone else the upper limit of the demand for dollars—and, if need be, to risk some of its reserves to smooth the exchange rate fluctuations.

Therefore, it cannot be ruled out that this is a long-term change in the Central Bank's policy on the currency exchange market and that the MICE will no longer be just a device for gauging current inflation rates. (This, of course, does not apply to the dollar's fluctuations and the dynamics of prices within long periods of time).

This refusal to smooth the dollar's exchange rate against the ruble could be traced to a number of reasons: The desire to make the market more flexible and open to financial speculators, the unwillingness to put its hard-currency reserve at risk, and so forth. Whatever prompted this decision, the exchange market will no longer be a non-cash currency exchange office operating on absolutely safe terms: The risk of losing has increased for authorized banks in proportion to their possibility to win.

But so far, following yesterday's trading session, the dollar's climb in September (12.6 percent) is nearly twice the inflation rate.

Dubinin Comments on Rise in Dollar Value

LD2809211594 Moscow Ostankino Television First Channel Network in Russian 1800 GMT 28 Sep 94

[From the "Novosti" newscast]

[Text] The dollar exchange rate today reached R2,631, a jump of R155. Observer Ivan Andronov noted that the dollar has risen 11 percent in six days. Acting Finance Minister Sergey Dubinin, in an interview, said: I think that these processes are largely psychological in character, at present. Unfortunately, the Central Bank evidently does not have sufficient reserves—at least, that is how they assess the situation—in order to fully smooth out these fluctuations.

Andronov quoted dealers' opinions that speculation by large commercial banks was a major cause. He continued: In the opinion of experts of the Financial Information Agency, the sharp fluctuations in the exchange rate are caused primarily by the inflow of hot money onto the foreign currency market from other sectors of the economy. The large-scale autumn financing of agriculture and the northern regions has also had an effect. A large proportion of this money has entered the interbank credit market, and from there moved into the foreign currency market. The sharp jump in the exchange rate can easily be explained. The Central Bank over the past few days has ceased to maintain the balance, thus saving foreign currency and allowing its favored banks to profit.

Coal Sector Criticizes World Bank Program

LD2809204694 Moscow ITAR-TASS in English 1828 GMT 28 Sep 94

[Text] Moscow September 28 BUSINESS-TASS—The World Bank-proposed programme for restructuring the Russian coal-mining sector was criticised by Deputy Chairman of the Independent Coal Industry Trade Union, Ivan Mokhnachuk, who was interviewed by BUSINESS-TASS today.

Mochnachuk is a member of the Russian Intersectoral Coal Industry Commission chaired by Deputy Prime Minister Aleksandr Shokhin. The commission met on September 23 for scrutiny of the World Bank's proposals.

The World Banks's programme proposes coal output reduction in Russia from 270 to 200 million tonnes a year, as well as workforce reductions from 400,000 to 100,000 in the Kuzbass coal basin and from 80,000 to 20,000 in the Pechora basin in particular. All the restructuring is projected to be conducted within 1-3 years.

Mochanushuk said this short span was absolutely unacceptable for Russia since reemployment problems, unmanageable within this interval, harboured social unrest.

Even though the World Bank is ready to allocate 500 million dollars for paying 10,000-15,000 dollars to each miner who loses his job, the independent union would prefer to use the credit for the creation of new jobs. Mochnachuk said closed enterprises might be converted to producers of construction materials or other goods.

The union chairman said the Russian Finance Ministry promised to the coal sector 500,000 billion roubles as subsidies. The sector plans to use this money for renovation of the community service network in the industry and for paying delayed September and August wages to miners. The miners do not demand that their pay, now an average 411,000 roubles a month, be raised, their only want it to be regular, Mochnachuk emphasized.

If the Russian Government accepts the rectructuring project which the World Bank has drawn jointly with Britain's Know How Fund, coal prices will certainly incrase to 70,000 roubles a tonne, the union leader argued.

Mochnashuk said the Intersectoral Coal Industry Commission would make a final decision on which restructuring programme should be adopted by the end of 1994.

Activities of Tax Police Described

MM2809150194 Moscow IZVESTIYA in Russian 24 Sep 94 p 4

[Article by Yaroslav Shimov: "The Tax Police Seeks Billions That Have Not Reached the Budget and, Strange Though It Seems, Sometimes Finds Them"]

[Text]

People in Invisible Shoulder Boards

"You will probably be writing about our 'excesses' again, won't you?" Tax Police Captain Yuriy Dementyev greeted IZVESTIYA's correspondent none too amicably. He and some of his colleagues have a complex attitude to the press. Maybe because journalists, as a rule, remember the Russian Federation Tax Police Department, in which Capt. Dementyev serves, and its local administrations when there is another conflict in the office of some firm being checked out by tax policemen.

Capt. Dementyev, 34 years old, maintains that it is not the rule but the exception for strong guys from operational subunits of the tax police to participate in its everyday work.

Yuriy Dementyev considers his previous service in the FCS [Federal Counterintelligence Service] (then still the Ministry of Security) more dangerous than his present service, in which he and his colleagues have to deal not with pistols and assault rifles but chiefly with the financial documentation of organizations suspected of concealing income and of nonpayment of taxes. In modern Russia probably the only people not guilty of this are those who have nothing to hide because they have no actual income.

A tax police has existed in developed countries for quite a long time (in Italy it is called the financial guard, in the United States the Tax Investigation Service). We deemed it necessary to create such a law-enforcement organ only when tax evasion assumed a mass scale, when newborn business began rapidly "fraternizing" with organized crime, and when the peaceful paper profession of the tax inspector acquired a dangerous nature. Strong armed people were required to protect the inspectors, 80 percent of whom in Russia are women, and specialists in tax investigation were needed to unravel the most complex cases of criminal concealment of incomes.

Thus the Russian Federation Tax Police Department came into being in the summer of last year, endowed with the right to conduct inquiries in cases connected with tax abuses. The service, which now numbers 18,000 people throughout the country, was manned mainly by officers and ensigns of the MVD [Ministry of Internal Affairs], the FCS, and the Ministry of Defense. Preference was given to those who, like Yuriy Dementyev, had received a financial and economic education or who, by virtue of their category of service, had links with the routine of accountancy.

In general, it is an establishment like any other, unless you notice the characteristic bearing of the majority of its employees and know that they all have some military rank. Take, for example, the pretty ladies flitting along the corridors of the Tax Police Department—they are not just ladies but, without exception, ensigns or even lieutenants. According to rumors, incidentally, the tax policemen will soon be issued with a uniform, and then their invisible shoulder boards will become perfectly real.

But even without uniforms, nightsticks, and "cheremukha" [tear gas] (albeit with pistols and shortened assault rifles, as in the militia's case) the tax police are sometimes involved in noisy affairs. Commercial structures, which policemen are engaged in checking out, frequently complain about the surliness of the policemen and their desire to "play Rambo." Such complaints were made, for example, at a trial in the Russian Federation Superior Court of Arbitration, where the well-known GMM Company had taken out a suit against the Tax Police Department. The businessmen won the case, incidentally, thanks to a mistake made by tax policemen who noted down incorrectly in their documents the name of the firm they were checking out.

Tax police staffers do not, as a rule, agree with complaints by their "clients," maintaining that they use force only in exceptional cases, when companies' representatives prevent policemen from fulfilling their official duties. In their opinion, rumors of arbitrariness by the tax police are spread by those who actively pocket millions and billions owing to the state. It is hard to say whether or not this is so, but it is clear that even isolated instances of policemen exceeding their powers do not enhance the young law-enforcement service's authority.

The Case of the "Missing" Billions

Although the relations of the tax police with various firms and organizations do not always shape up smoothly, you cannot call the policemen's activities fruitless. During the first six months of this year 1.43 trillion rubles [R] was transferred to the budget following checks by the tax police. Last year the figure was smaller—R600 billion over 12 months. This is nothing surprising: According to forecasts by the Tax Police Department's analytical group, by the end of the year the number of tax crimes will have tripled or quadrupled compared with 1993. In addition, the means of concealing income are becoming more diverse and refined. The leaders among the tax evaders, incidentally, are firms working in the gaming and show business spheres.

Not that you can call state enterprises goody-goodies either. Not only those from which there is nothing to take, because they have no funds in their accounts, but also those that have plenty of money do not pay. For example, in order to understate the profits and avoid paying taxes, the "Severstal" Enterprise in Cherepovets acquired several dozen ruble and currency accounts. The amount of taxes underpaid by "Severstal" totaled R20 billion.

Tax policemen sometimes come up against real commercial geniuses. One of them—the leader of the small "Sintez" Enterprise in Dagestan—purchased grain from Ivanovo Oblast farms, sending it for processing to the city of Aleksandrov in Vladimir Oblast, where the grain was made into low-grade liquor, after which the resultant potion was sent to Zlatoust in the Urals (what scope of activity!), and there it was turned into vodka or, more accurately, into a vodka surrogate. Each bottle of the swill cost the enterprising Dagestani just R204. The size of the profit, which, needless to say, was concealed from the state, exceeded R1 billion.

In Nizhniy Novgorod the local tax police recently detained someone who was setting out on a long journey with rather heavy baggage, which included R200 million in cash. The actual owner of the "Rostorg-finans" Firm, which he had registered using men of straw, had been collecting money from the public, promising 910% annual interest. It is interesting that this enterprising gentleman used most of the investors' money (R1 billion) to buy MMM shares. In addition, it came to light that the Moscow militia had long been hunting the failed billionaire for thefts which he had committed in the capital on a particularly large scale.

It is such cases that make up the everyday work of the tax police. But the overall impression created by this seething activity is, nonetheless, depressing: Policemen seem to be trying to use a sieve to bail out the deep river of money underpaid to the budget. According to rough estimates by the Ministry of Economics, the treasury failts to receive 30-40% of the taxes owing to it.

Here it is not only a matter of negligence and ill intent on the part of organizations, enterprises, firms, and private persons. Tell me, who likes to give up the lion's share of his profits to the faceless hulk called "the state"? More than enough has been spoken and written about the fact that the present tax system virtually forces Russian economic players to work for the "good" uncle official. Nevertheless, nothing or almost nothing changes.

Addressing the Federal Assembly, Sergey Almazov, leader of the Russian Federation Tax Police Department, suggested that the deputies urgently change the taxation system, leaving just five kinds of federal taxes: income tax on corporate bodies and individuals, value added tax, tax on real estate, and excise tax. On the whole, General Almazov has tackled somebody else's business: His department, being within the system of executive power, should execute laws, not establish them. But it is possible to understand the head of the Tax Police Department. Without tax reform his office's activity becomes almost useless: Despite all the endeavors of the tax services, only a crazy person would pay crazy taxes down to the last kopek.

This Service Is Both Dangerous and Hard

"Noncrazy" people employ very diverse methods to defend the inviolability of their incomes. In North Ossetia, for example, a small building which had only just been constructed and into which the local tax police administration was to have moved was blown up recently. There was nothing to be done—it had to stay in its old place. But soon the "infernal machine" started up in the old premises too, thoroughly spoiling the interior of the administration. The tax policemen did not have to wait long for "news" after moving into a wing of the local health center. They started getting anonymous calls and letters, whose contents boiled down to the following: "Don't poke your noses in, you guys, for we will always have enough TNT for you...."

Incidents of this kind happen not only in the semiwarring Caucasus but also in regions that are seemingly perfectly peaceful. Thus, there have been arson attacks on tax police administrations in Novosibirsk, Vladimir, and Leningrad Oblasts. The principle on which arsonists operate is clear: no documents—no problems.

In addition to explosions, acts of arson, and attacks (315 recorded since the beginning of the year), however, there is another kind of danger in the work of tax policemen. It is the temptation of the money which is constantly being offered to tax police staffers by people wishing to avoid sanctions in the form of fines. Since the stakes in this game are very high, the sums offered to policemen are also impressive. Last year criminal proceedings were instituted against tax police staffers in five cases relating to bribery. There have already been eight such cases between January and September this year. Not many, of course, but....

As regards the official income of tax policemen, according to Tax Police Department staffers, it is comparable with the wages of their MVD colleagues but appreciably lower than that of counterintelligence officers, let us say. The leaders of the tax police maintain, however, that their department is one of the few state establishments which make a respectable profit. For every ruble invested by the treasury in the upkeep of the Tax Police Department and its organs there is a return of approximately R100 which the tax police recovers from tax evaders.

On entering service with the tax police, every employee takes an oath in which he swears to "stand guard over the motherland's economic interests." If only the motherland always knew exactly what its economic interests are.... For tax pressure and the police nightstick are a good thing, but a normal economy is nonetheless better.

Military & Nuclear Issues

New Government Defense Department Head Appointed

LD2809123694 Moscow ITAR-TASS World Service in Russian 1145 GMT 28 Sep 94

[By unidentified ITAR-TASS correspondent]

[Text] Moscow, 28 Sep—Viktor Chernomyrdin, chairman of the Russian Government, has signed an instruction appointing Valeriy Mikhaylov head of the Department for Defense Industries of the Russian Government apparatus, having relieved him of the post of first deputy minister of economics.

Mikhaylov, 55, graduated from the Moscow institute for non-ferrous metals. He is candidate of technical sciences. Mikhaylov was acting deputy chairman of the USSR State Committee for Science and Technology and worked as first deputy chairman of the committee. In 1992 he was appointed Russian first deputy minister of economics.

Gen Nikolayev on 'Vostok-94', Dispute With Grachev

MK2809161094 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 28 Sep 94 p 2

[Interview with General Andrey Nikolayev, commander of the Russian Border Troops, by Dmitriy Kholodov: "'Something Seems To Have Happened to My Memory.' High Time To Give the Rank of Marshal"—place, date not given; last two passages are Kholodov commentary]

[Excerpts] A month has not yet passed since the latest scandal at the Defense Ministry over the disbanding of General Lebed's 14th Army, but a new scandal has already broken out at our "Pentagon."

Throughout last week strategic exercises of the border troops code-named "Vostok-94" were conducted in the Far East. For the first time the Internal Affairs Ministry, the Customs Service, the Migration Service, the Federal Counterintelligence Service, the Emergency Situations Ministry, and also the Defense Ministry took part in exercises of such a large scale (along nearly 25,000 km of borders). The exercises were carried out under the command of Lieutenant General Andrey Nikolayev, commander in chief of the Border Troops. Everything was pulled off neatly—there were the "North" and the "South," scenario instructions, alerts. But suddenly...

"The statement of the defense minister..."

In a statement published by KRASNAYA ZVEZDA, Pavel Grachev claimed that the border troops could not organize exercises of such a scale, and called them an exercise in self-advertising (apparently, having Gen. Nikolayev in mind). [passage omitted]

After the exercises were completed, MOSKOVSKIY KOMSOMOLETS asked the chief border guard, Andrey Nikolayev, to answer a few questions.

[Kholodov] Andrey Ivanovich, did anyone from chiefs of other agencies that were involved in the exercises, apart from the defense minister, express his discontent to you?

[Nikolayev] What discontent could there be if the exercises were included in the Federal Border Service's training plan for 1994 back last April. The plan was approved by the president. I reported to the president about preparations made for the exercises. On 1 September, the head of government was also informed about the troops' readiness and departure for the exercise area. I personally sent a document to the defense minister, who issued an instruction to the General Staff. The General Staff, for its part, issued a directive...

[Kholodov] Did General Staff officers, who represented the Defense Ministry at the exercises, by any chance talk about their chiefs' plans to have the border troops subordinated to the Defense Ministry?

[Nikolayev] They did not even think about that. They saw perfectly clear that the missions we were fulfilling were different from those of the Defense Ministry. There was even talk that they did not even imagine that the border troops could have such missions. Formerly, in all exercises the question was put as follows: alert sent, off the border troops go to defend the state border. All exercises had hitherto involved combined arms. But this time we said: Let us practice everything that could occur on the border. Let us, for instance, look at a situation where a mass border violation takes place. That is to say, we looked through all our missions together with other agencies.

[Kholodov] Can you say unequivocally that the exercises have shown that merging the Army and the Border Troops would be inadvisable?

[Nikolayev] To show that, one did not need to carry out any exercises at all. Even though the exercises, of course, confirmed that according to current approaches, border guards are not troops in the first place. By the way, I want to propose to the president that starting 1 December the post of Border Troops commander in chief be renamed director of the Federal Border Service. [end of interview]

In the past few months, border guards have made a point of referring to themselves as a federal service, not a main command. They appear to be seriously concerned by the "encroachments" of Grachev, who is actively laying claim to a marshal's baton. For Pavel Grachev's unique influence on the president is well known...

The situation is particularly juicy because Grachev could well break his teeth on the "green berets." The Kremlin is unlikely to welcome the Defense Ministry's extra powers. For in addition to "overseeing" the situation inside the country, Pavel Grachev would thus be given the possibility to control the border also. It is an open secret that a numerous opposition to General Grachev is mounting inside the government. It could so happen that for the sake of stability Boris Nikolayevich would prefer the opposition to his defense minister, who, as it has turned out, would not stop at raising a scandal on his thorny path of reform. [passage omitted]

Missile Forces To Prosecute Over Outage

MM2809153394 Moscow KRASNAYA ZVEZDA in Russian 28 Sep 94 p 1

[Report by Oleg Falichev: "Major General of Justice Ivan Lebed: We Will Press Charges in This Matter. Criminal Proceedings Have Been Brought in Connection With the Cutting Off of the Power Supply to the Strategic Missile Forces Main Command Center"]

[Text] Last Friday KRASNAYA ZVEZDA reported on an emergency at the Strategic Missile Forces Main Command Center. Let me remind you that the power was cut off there 21 September on the instructions of "Mosenergo" General Director P. Sinyukhov. Had the automatic power supply not been activated, this could have led to the loss of control over Russia's nuclear missile weapons....

As we said, this unprecedented incident raised the question "of the general effectiveness of the authorities in our country" and of the need to elaborate a system of harsh sanctions, going as far as criminal liability, for officials who exceed their authority and jeopardize national security.

As early as 23 September Major General of Justice Ivan Lebed, the Strategic Missile Forces military prosecutor, instituted criminal proceedings under Article 171 of the Russian Federation Criminal Code. We have succeeded in establishing that an investigation team has been formed including an investigator of particularly important cases, Colonel of Justice M. Dekan, and a criminal prosecutor, Major of Justice Ye. Mishchenko. Maj. Gen. of Justice Ivan Lebed, the Strategic Missile Forces military prosecutor, is in overall charge of the case.

The investigation team has already gotten down to work. The first interrogations of "Mosenergo" officials have been conducted. The incident's causes and effects are being investigated, as well as how and under what influence the officials took this step. Unfortunately, the investigators have already come up against difficulties—an unwillingness to give evidence on the part of several "Mosenergo" leaders, who are relying on the fact they, as they say, are civilians. In connection with this the military attorneys are having to explain in passing that the military prosecutor's office has a vertical system of subordination with the Russian general prosecutor at the top. Incidentally, he has sanctioned their carrying out the investigation.

"I have received strict instructions from the acting Russian Federation general prosecutor to go right ahead, which gives me confidence," Maj. Gen. of Justice Lebed said.

By way of a measure to secure appearance of the defendants a recognizance not to leave may be obtained. KRASNAYA ZVEZDA will inform its readers how events develop in the future. But we can assume that the Strategic Missile Forces Prosecutor's Office will either itself be given the task of bringing the case to court or at some stage pass it on to the Moscow City (Oblast) Prosecutor's Office.

All that remains to be added is that this is perhaps the first case in the Russian Federation Armed Forces of the military prosecutor's office instituting criminal proceedings against a civilian official for exceeding his authority or official powers and jeopardizing the Strategic Missile Forces' combat readiness. For example, no action was taken over earlier cases of the same power supply being turned off at the Strategic Missile Forces. Therefore, I think that what matters is not so much how and with what result the case ends, but the fact that a precedent will have been set and an attempt been made to put a stop to the bureaucrats' absolute power, which has already extended to the Armed Forces. Finally, this step toward a rule-of-law state is important. It is this, I believe, that will most of all serve as a warning to others, and will make officials take His Majesty the Law into consideration and respect state institutions. But we remind those who nevertheless may consider that the rules do not apply to them that Article 171 of the Russian Federation Criminal Code stipulates a custodial sentence of up to 8 years.

Baltic Fleet Holds Air Defense Exercises

MM2809094194 Moscow KRASNAYA ZVEZDA in Russian 27 Sep 94 p 1

[Report by Valeriy Gromak: "In the Baltic Fleet the Air Defense Lets Past No One"]

[Text] For the first time in the past three years combined exercises involving the combat shooting of target drones have been carried out in the Baltic Fleet.

The patrol combatant Neustrashimyy, the destroyers Nastoychivyy and Bespokoynyy, and Air Defense planes took part in the exercises. The seamen hit two targets in the preparatory stage and a further six during the exercises themselves. This target practice was an excellent debut for the commander of the Nastoychivyy, Captain Second Rank Aleksey Tuzov, who took over the ship one month ago.

Chemical Weapons Destruction Concept Urged

MM2809132194 Moscow IZVESTIYA in Russian 27 Sep 94 pp 1,5

[Report by Viktor Litovkin: "Russia Lacks the Money to Destroy Its Chemical Weapons"]

[Text] The subject which we are "uncovering" today is of immense importance not only for our country but also for the entire world community. One of the most acute problems for the State Duma returning from its recess could be the question of the Russian parliament's ratification of the International Convention Prohibiting the Development, Production, Stockpiling, and Utilization of Chemical Weapons and Their Destruction, signed by the foreign minister in January 1993. The main obstacle which could impede ratification of the convention, in my view, is by no means political or military, but financial.

Destruction of Russia's chemical weapons—and its total stocks are officially put at 40,000 tonnes—will need huge amounts of funding. According to specialist assessments the initial wave of work alone will cost around $2 billion. Nobody in our country can currently say with complete certainty what the final cost will be. But there is a view that it will be comparable to the U.S. expenditure.

Experts I know are recalling that stocks of chemical agents in the United States total 30,000 tonnes; it was initially planned to allocate $2 billion for their destruction. This figure then increased to $5 billion, and now $10 billion is required, and if the technology for destroying the weapons by incineration is rejected—something that American specialists are moving toward more and more—then the spending will hit $15 billion.

We can assume that the cost will be just as expensive for Russia.

Lieutenant General Yuriy Tarasevich, deputy chief of the Russian Defense Ministry's Radiation, Chemical, and Biological Protection Forces for the elimination of chemical weapons, told me that before the combat toxins are destroyed, it will be necessary to have a statewide concept about how and why this is being done, and, of course, laws to oblige certain departments to constantly tackle this problem and to guarantee to the population of regions where the process takes place all kinds of benefits and comprehensive protection from even the slightest hypothetical risk of being affected by proximity to the facilities where the chemicals will be neutralized and recycled.

So far Russia has no such law or concept.

Or, rather, the Defense Ministry has already elaborated a concept for the destruction of chemical weapons stocks. It has been coordinated with all interested ministries and departments and has even been signed by the premier. But until it has been ratified by a presidential directive it cannot come into force.

According to Gen. Tarasevich, two draft Russian Council of Ministers decrees on the creation of facilities for chemical weapons destruction in Kambarka (Udmurtia) and the settlement of Gornyy in Saratov Oblast have been drawn up and are being coordinated with all ministries, departments, and regions, and the "Law on the Destruction of Chemical Weapons in Russia" has been drawn up and submitted for examination to the government and the State Duma.

Another series of laws—on social concessions to the population of areas where facilities for the destruction of chemical agents will be built and operated, and on insurance and compulsory medical services for them, in addition, of course, to a law on tax breaks and other concessions for enterprises, their labor collectives, and private and foreign firms engaged in the destruction and processing of chemical weapons or taking part in their neutralization—is also being examined.

All these documents will be sent out to the regions on whose territory chemical weapons are stored and where it is planned to build facilities for destroying them. Representatives of the local administration, the public, and environmental movements have been included in various federal commissions, including government commissions.

The proposals from regions, ministries, departments, and other interested organizations will be examined at a session of the State Duma's Defense Committee 11 October, following the recess. In particular, representatives of the General Staff should appear and answer the question of whether the elimination of chemical weapons will weaken Russia's defense capability. The materials of the hearing and the conclusions drawn and recommendations made will then be sent for examination by parliamentary chambers and the Russian president. And only after this will the Russian parliament start its debates on the ratification of the international convention that was signed 13 January 1993.

"My opinion," Gen. Tarasevich told me, "is that chemical weapons need to be destroyed. And the sooner the better. Nothing lasts forever. Given that financial expenditure on safeguarding these weapons and on routine maintenance has now been sharply cut, we cannot guarantee that in a few years' time, there will not be a process whereby chemical shells and aviation bombs self-destruct—as happened to the Americans. Then, in the event of a disaster, 10 times or 100 times as much money and effort would be required as we need now."

The general claims that, so far, the Russian military can ensure the complete safekeeping of organophosphorus toxins. And, although most aviation bombs and artillery shells have already outlived their guaranteed life—of 10 years—while some of them have been in storage for more than 15 years, there is still no particular threat of most chemical munitions' self-destructing. They are not fitted with fuses or detonators, and their steel cases are pretty strong. Once the necessary regulation maintenance has been done, the munitions can "last" at least five to 10 years.

But a decision on the blister agents stored at Kambarka and Gornyy Settlement in Saratov Oblast needs to be made right now. The actual means of storage—old steel tanks which, micron by micron, are becoming thinner with every passing year and cannot be transported anywhere; buildings that could collapse during natural disasters; and long storage periods for mustard gas, lewisite, and their compounds in the same place—all require immediate action and urgent funding, the general believes. Unfortunately, the military do not currently have the funds even to buy instruments to automatically monitor the condition of chemical agents.

Of the 114 billion rubles [R] allocated by the federal budget in 1994 for the destruction of chemical weapons, the military has received just...R6 billion.

A concept for the destruction of chemical weapons in Russia is currently on President Boris Yeltsin's desk.

This concept, we were told, includes information on the procedure for storing chemical weapons, their quantity, their current condition, their location, and, of course, Russian specialists' approaches to the problem of their destruction—how many facilities will need to be built where, what shape will they take, how much time will be required to get rid of certain types of agent; the timetable for their elimination; the cost of the work, and the procedure for funding it.

The funding includes sections on the cost of work safety, the construction of facilities and a social and production infrastructure, research and development, environmental and ecological monitoring, measures to protect the population's health, and many other issues. But the main point is that Russia will not just be getting rid of its chemical weapons but recycling some of these agents, reprocessing them into neutral reaction masses which will then be turned into useful production raw materials. First and foremost, this applies to lewisite, which, after neutralization by an alkaline solution and subsequent electrolysis, produces extrapure arsenic—a strategically valuable product for microelectronics.

It is not available in Russia. On the world market it costs around $2,000 per kilo, and the "stocks" of arsenic contained in Russian lewisite are put by specialists are more than 2,000 tonnes against an annual requirement by the country's industry of 15-20 tonnes. By developing an installation to process lewisite into industrial arsenic, scientists hope that the country will be able not only to meet its own needs but also to offer the product for sale on the world market.

The technology for the safe hydrolytic processing of lewisite into industrial arsenic was developed by Russia's State Scientific Research Institute of Chemical Technology on Moscow's Enthusiasts' Highway. An experimental installation able to handle 100-150 tonnes of lewisite a year is planned by Volgograd's "Giprosintez" Institute. It is to be set up in Saratov Oblast and will be tested there in practice.

After the lewisite installation and a second mustard gas and mustard gas-lewisite compound processing installation have been through research and development and start actually neutralizing chemical agents—and the tests are scheduled to take 18 months, until late 1996—a plant will be planned in Kambarka on the basis of the results. Its construction is scheduled for 1997. And, as of 1998, Russia will start destroying the lewisite stored there.

And the Russian Government believes that if the first stage—the destruction of the chemical agents, the creation of the necessary infrastructure around the elimination installation, and the provision of social concessions and security guarantees for the population—is shouldered by the state, the funding of the second stage could involve those with a direct interest in obtaining and selling arsenic on the Russian domestic and international markets. Namely—the administration of the regions where the installation will be built, local and foreign business circles, labor collectives at the processing plant, and representatives of science.

The experimental unit will cost around R20 billion. The government does not currently have enough money for it. And if local authorities, various firms and businessmen, and other interested parties are not involved in the process, the neutralization and reprocessing of blister agents could be delayed.

Admittedly, specialists are confident that, following the adoption of the necessary laws on the destruction of chemical weapons and the ratification of government decisions, the neutralization of mustard gas and lewisite and the funding of this process will nonetheless get off the ground.

The problem of the elimination of organophosphorus substances is more complex. The main obstacle is that there is no agreement from the regions to destroy them at their storage sites. (Agreement has already been obtained in Kambarka and Gornyy—V.L).

The options are currently being examined. One of these is two-stage processing, as was proposed in Chapayevsk, but with further processing to more finely purify gases released into the atmosphere—neutralization followed by heat treatment. The second version is a single-stage technique which it is proposed to use only for isolated dangerously unstable [avariyniy] munitions on special mobile units carried on rail platforms or truck chassis. And the third option is biodegradation using biological methods of neutralizing the toxins.

There are other proposals too. But so far there is no law on the destruction of chemical weapons, no presidential, parliamentary, or government decisions, and no money to carry it out—all these, as well as other issues, remain open.

Regional Affairs

Moscow Live Fire Exercise Successfully Completed

MM2809121094 Moscow Russian Television Network in Russian 1900 GMT 24 Sep 94

[From the "Vesti" newscast: Video report from Gorokhovets range in Nizhniy Novgorod Oblast by V. Tarasov, identified by caption]

[Text] [Tarasov over video of troop exercise] A combined-arms tactical exercise involving live fire ended at the Gorokhovets range today. In accordance with the laws of the military art, servicemen of the Taman Division rehearsed combat elements ranging from defense to an offensive. During all the stages of the exercise both blank and live ammunition was used to bring the training combat closer to a real combat situation. It has to be admitted that any exercise is fraught with a certain amount of danger. This calls for professionalism and great physical and psychological prowess on the part of servicemen, and perhaps also for God's blessing. Incidentally, such a blessing was heard here for the first time.

According to Lieutenant General Valeriy Bogdanov, deputy commander of Moscow Military District, the troops carried out the tasks they were set. However, during the preparations for this event there were difficulties with financial and material resources. Furthermore the Taman Division units, just like the Military District as a whole, are severly understaffed—which complicated operations. But as usual, everyone was working for two. This determined the success of the exercise which has just ended.

Yeltsin May Go to Ossetia for Anniversary

MK2909092094 Moscow SEGODNYA in Russian 29 Sep 94 p 1

[POSTFACTUM report: "Russian Federation President May Take Part in Observing 220th Anniversary of Ossetia's Joining Russia"]

[Text] Boris Yeltsin has given North Ossetia President Akhsarbek Galazov his tentative consent to attend observances of the 220th anniversary of Ossetia's joining Russia, planned for 13 to 15 October. This has been revealed by Shmidt Dzoblayev, chairman of the Assembly of National Democratic and Patriotic Forces of Russia.

Bashkir Volunteers Sent to Chechnya for 'Moral Support'

LD2809224894 Moscow INTERFAX in English 1927 GMT 28 Sep 94

[Text] The first group of ten volunteers left Bashkortostan (a republic within Russia) for Chechnya. It consists of young people from rural regions and members of the Union of Bashkir Youth.

Leaders of the Union of Bashkir Youth told Interfax that volunteers had been sent to Chechnya "for the moral support of its people." They said the volunteers would not interfere with Chechnya's domestic affairs and would begin fighting only if Russia carried out an aggression against Chechnya.

Bashkir Cossacks helped the volunteers prepare for going to Chechnya. The Union of Bashkir Youth said during the Days of Turk Youth in Bakhchisarai in August that it intended to send a hundred volunteers to Chechnya. They are now being trained.

Ufa reacted to such an action negatively. Earlier, Bashkir President Murtaza Rakhimov made known his negative attitude to Chechen President Dzhokhar Dudayev and said that the Chechen conflict was like a cancer tumor for Russia.

Seven Opposition Members Killed in Clashes

LD2809142694 Moscow ITAR-TASS World Service in Russian 1223 GMT 28 Sep 94

[Excerpts] Moscow, 28 Sep (ITAR-TASS)—ITAR-TASS learned today during a telephone conversation with the Chechen Interim Council that Chechnya's Procurator General Usman Imayev was taken prisoner during yesterday's clashes between the government forces and Dzhokhar Dudayev's formations. [passage omitted]

ITAR-TASS has learned from sources in the Interim Council that seven opposition members were killed in the fighting and 11 wounded. The opposition managed to destroy five tanks and three APCs [armored personnel carriers] belonging to the government forces, and seize two Grad rocket launchers and three artillery weapons. They also captured four Lithuanian mercenaries. According to the Interim Council intelligence, about 200 mercenaries are fighting on Dudayev's side.

Having repulsed the government forces' attack on the village of Znamenskoye, the Chechen opposition units launched a counterattack and delivered a blow on Groznyy from the direction of Urus-Martan [northern direction] and Tolstoy-Yurt [southern direction]. Bislan Gantamirov's units, which attacked Groznyy from the direction of Urus-Martan, also stormed the reinforced territory in the settlement of Chernorechye and occupied it.

The population of the Chechen Republic appalled by Dudayev's bloody actions have started to actively join the opposition, the Interim Council told TASS.

Helicopters Reportedly Shot Down From Chechnya

LD2809143194 Moscow Russian Television Network in Russian 1300 GMT 28 Sep 94

[From the "Vesti" Newscast]

[Text] [Presenter Aleksandr Sapozhnikov] A Russian military helicopter has crashed in North Ossetia. According to INTERFAX, the helicopter was on a planned flight and was shot down by automatic weapons from the territory of Chechnya. Both pilots, Aleksandr Andreyev and Ruslan Valeyev, were seriously injured and, according to the latest information, Andreyev has died from his injuries.

Stavropol Oilmen Hit by Anti-Chechnya Measures

MM2909105594 Moscow ROSSIYSKAYA GAZETA in Russian 27 Sep 94 p 2

[Report by Lyudmila Beldyugina: "In the Heat of the Moment. Oil Workers' City Under 'Blockade'"]

[Text] Stavropol Kray—The government decision (dated 7 September of this year) which suspended train services on the territory of the Chechen Republic in connection with the well-known events came as a real shock. Until that date, 3,500 tons of oil, extracted in Stavropol, was pumped through an underground pipeline every day from Neftekumsk to the Ishcherskaya Station, which is in Chechnya. There it was loaded into tank cars—85 a day. And every other day three heavily loaded trains would transport the oil from Ishcherskaya to refineries in Russia. This chain has now been broken.

Within three days the oil workers had filled all the tanks with oil, and they were forced to completely stop work. Ten thousand top-class workers and specialists, as well as 15,000 members of their families, have been left without any means of existence, and the "Stavropolneftegaz" Joint-Stock Company has suddenly found itself on the brink of bankruptcy.

Two years ago "Stavropolneftegaz" was already in a very feverish state following the directive of the Central Bank of Russia which excluded banks in the Chechen Republic from Russia's sort code system. Chechnya's debt to "Stavropolneftegaz" reached 5 billion rubles [R], and the oil workers had not received any pay for several months. In 1993 oil supplies to Groznyy were halted. However, it proved possible to avoid a social explosion by means of a life-saving decision: The oil began to be discharged at Ishcherskaya Station, only a few kilometers from the Stavropol border. This proximity also removed the acute problem of the barbarous destruction of the oil pipeline, which in many places had started to resemble a sieve. Whole gangs on the territory of Chechnya had engaged in theft and had holed the pipeline to siphon off the oil. While lines kilometers long were forming at gas pumps in Russia, in Chechnya a brisk trade in stolen fuel contained in beer barrels was in progress everywhere. The losses were incalculable. It was then that the decision on Ishcherskaya was adopted.

But now the government has decided to take this to its logical conclusion, evidently considering the border zone in the area of Ishcherskaya to be a territory where it is impossible to protect even a miniscule section of railroad.

"The whole working procedure has been paralyzed," Semen Kiselev, chief engineer at "Stavropolneftegaz," said in a conversation with your ROSSIYSKAYA GAZETA correspondent. "The outraged oil workers are being sent on indefinite leave without pay. People are in despair and panic, not knowing how they will feed their families. After all, it is impossible to find another job in a specific township connected solely with oil refining. In order to preserve the expensive equipment, we are now dismantling it, mothballing it, and putting it in storage. Nine preschool facilities with 1,100 places are currently being closed down. Work to prepare housing and municipal services facilities for winter—which in these steppe locations, with their fierce winds, is very severe—has also been discontinued because of the lack of funds."

People in the kray are convinced that a social explosion is possible here. At present, intensive work is under way to construct a bulk oil gantry [neftenalivnaya estakada] in neighboring Budennovsk and restore the oil pipeline to it. The new installation will make it possible to resume sending [realizatsiya] the oil by railroad to Russian oil refineries. But construction will only be concluded in the middle of next year.

The Stavropol oil workers have sent a repeat telegram to the Russian Federation president asking for help. The collective is demanding that emergency measures be taken at the level of the Russian Federation Government to regulate the dispatch of the oil from Ishcherskaya Station on the North Caucasus Railroad."

So far there has been no response to the desperate SOS.

Specialists have calculated that R4.3 billion a month is required to keep the oil workers afloat in the prevailing situation. But where can this money be obtained?

For the umpteenth time, in adopting a decision on Chechnya, government officials are failing to realize that while they are hitting their political opponents—and serves them right!—with the other end of the stick they are—painfully!—thrashing their own people.

Energy Ministry Drafts Plan to Bypass Chechnya

LD2809193794 Moscow INTERFAX in English 1515 GMT 28 Sep 94

[Text] The Russian Fuel and Energy Ministry of Russia has drawn up a plan to ship oil produced in the Stavropol territory and Dagestan, bypassing the Chechen republic.

The Fuel and Energy Ministry has told the Petroleum Information Agency that the plan provides for building a new oil terminal at the Budennovskaya railway station, an additional five kilometers of railway track and twenty kilometers of pipe-line.

These facilities will take four to five months to build. For this purpose the ministry has asked the government to extend an interest-free credit to the Stavropolneftegaz, which will coordinate construction work.

Earlier, the events in Chechnya stopped the movement of oil extracted in the Stavropol territory and Dagestan through the Ishcherskaya station. As a result oil production losses totalled about 4,000 tons a day.

Defense Industry, Tatarstan Government Hold Talks

MK2809154194 Moscow KOMMERSANT-DAILY in Russian 28 Sep 94 p 10

[Report by Yevgeniy Ostapov: "Committee on the Defense Industry Collegium in Kazan. Defense Enterprises Are Promised Help"]

[Text] A joint sitting of the State Committee on the Defense Industry collegium and the government of Tatarstan took place in Kazan yesterday devoted to preserving the potential of the republic's defense enterprises and providing them with defense orders. A range of important measures to stabilize the situation in the military-industrial complex were mapped out.

Viktor Glukhikh, Russian State Committee for the Defense Industry chairman, stated that the cutting of defense orders by a factor of three raises the question of how to utilize the idling production facilities. Also, many customers have declined to buy a number of finished products owing to the changed economic situation. The financing for the research and development of new types of armaments is in doubt. The conversion programs for whose implementation it was planned early in the year to earmark 5.86 trillion rubles [R] (as little as about R250 billion has been appropriated) are being implemented in a lopsided manner: plants are trying to turn out microwave ovens, refrigerators, and oil equipment which may soon over-saturate the market.

According to Tatarstan Prime Minister Mukhammat Sabirov, in the republic are 37 defense enterprises which provide its products to all branches of Russia's Armed Forces and Navy. And despite the fact that they were supposed to cut their military orders stage by stage, many of them are in dire straits.

It was announced at the collegium that the State Committee for the Defense Industry is planning to organize new conversion production taking account of the range of products manufactured by civil enterprises in Russia. Military-industrial complex enterprises will be asked to implement Russian Government federal programs in a bid to improve their financial position. Besides, the Defense Ministry will be permitted to pay for defense orders with promissory notes. It is planned to restructure its subdivisions into financial industrial groups in order to solve the problems of the military-industrial complex. The major production of military products will be concentrated in the leading enterprises whereas the output of small batches of arms will be handed over to the developers' pilot plants. The work at military-industrial complex enterprises of narrow specializations, comprising 30 percent of the total number of defense plants, is to be paid for on an advance basis from 1995 budget funds. A list of the armaments whose production is to be discontinued will also be compiled. In the future, a system of planning three to five years ahead will be used in financing the military-industrial complex.

Tatarstan Achieves 'All-Time Record' Grain Harvest

LD2909103494 Moscow Mayak Radio Network in Russian 0900 GMT 29 Sep 94

[Text] Breadgrain farmers in Tatarstan have gathered a harvest of 25.6 quintals per hectare, an all-time record. The harvesting of grain and pulse crops, which was completed today, covered an area of 1.7 million hectares. An ITAR-TASS correspondent was told by Zam Kubaydulin first deputy minister of agriculture and foodstuffs of Tatarstan, that the republic had every year purchased around 300- 350,000 tons of wheat for human consumption. The current task is to start growing strong and hard wheats and over a period of three years to end the imports.

Government Probe of Nazdratenko Possible

MK2809144094 Moscow SEGODNYA in Russian 28 Sep 94 p 1

[Unattributed report: "Commissions May be Sent to Maritime Territory and Kemerovo Oblast"]

[Text] The need to set up special commissions to study the situation in Maritime Kray and Kemerovo Oblast has been pointed to at a sitting of the conciliation commission to implement the Treaty on Public Accord. In the words of Sergey Filatov, the Russian Federation president's chief of staff, the situation in Maritime Kray is extremely serious from the point of view of the accusations advanced by Yegor Gaydar, leader of the "Democratic Choice of Russia," against Yevgeniy Nazdratenko, head of the kray administration.

Army To Sell Off Excess Military Housing

LD2809152394 Moscow INTERFAX in English 1149 GMT 28 Sep 94

[Text] A total of 104 military garrisons made redundant by cuts in the Russian army will be sold or leased by the Far Eastern military district, which will use the money raised to build homes for servicemen.

The logistic service of the Far Eastern Military District said that finding buyers has proved difficult, as most of the garrisons are located far away from civilian communities and their price is high. Besides, after military units had been withdrawn from the garrisons, the premises were literally plundered. Some buildings look like concrete boxes without roofs or floors.

2,000 Auto Workers in Togliatiy on Strike

LD2809144994 Moscow INTERFAX in English 1149 GMT 28 Sep 94

[Text] In Togliatiy, a town in the Samara region, about 2,000 AutoVAZ workers have been on an indefinite strike since September 27 at the call of the Unity labor alliance, affiliated to the SOTSPROF labor unions of Russia. SOTSPROF co-Chairman Mikhail Voroshilov told Interfax the strikers are demanding the payment of wages for August.

He recalled that when Unity organized a similar strike in June, the workers got their pay right away.

AutoVAZ is a major car producer in Russia and the CIS.

Consignment of Illegal Morphine Seized in Caucasus

MM2809135694 Moscow KOMSOMOLSKAYA PRAVDA in Russian 28 Sep 94 p 1

[Unattributed report under the "Inform" rubric: "Drug Operation"]

[Text] Several Vladikavkaz "shuttle traders" attempted to take 22,000 ampoules of morphine from India to North Ossetia. Acting on a tip-off, republic customs and military counterintelligence personnel from the 44th Border Detachment successfully mounted an operation and seized this large consignment of drugs.

Health Threat From Ticks, Infected Mice Reported

MM2809120394 Moscow RABOCHAYA TRIBUNA in Russian 24 Sep 94 p 4

[Report by Mariya Ripinskaya: "Watch Out!"]

[Text] At one time there was no question of ticks in Moscow Oblast. Now medics warn that you may come under attack from ticks even in your own garden plot. Protective measures must be taken: You should only work in a truck garden wearing coarse trousers tucked into boots. The thing is that there are encephalitis carriers among the repulsive insects. And that's no joking matter!

Another point: An unexpected "southern" ailment has recently appeared in Smolensk Oblast. Mice carrying a serious infectious disease—hemorraghic fever with renal syndrome—have been discovered here. Medics say that the disease is very serious. It takes several months to get over. All steps have been taken to exterminate the rodents. But...more mice have been discovered in the center of the Kiselevka residential district. The ecology, of course, has started to take revenge on us in earnest!

International Affairs

Udovenko Addresses UN on Foreign Policy

LD2909090794 Moscow ITAR-TASS World Service in Russian 2217 GMT 28 Sep 94

[By ITAR-TASS correspondent Boris Sitnikov]

[Text] UN, 28 Sep—Ukraine will readjust its foreign policy, stressing the need to revitalize cooperation with Russia and other CIS countries, Ukrainian Foreign Minister Hennadiy Udovenko said, speaking on Wednesday at the 49th session of the UN General Assembly [UNGA].

The minister described as "absolutely groundless" the rumors about the possible loss by Ukraine of sovereignty and a change in policy after the power change in Ukraine. We will follow the path of building an independent state, as a return to the situation existing in the former USSR is impossible, Udovenko said. He indicated that Ukraine does not belong to the East or to the West—but to a global system of international relations, and therefore it will be striving toward integration into European and world processes.

Of course, corrections in our policy will take place. The world has substantially changed today, even in comparison with the times when Ukraine emerged on the political map as an independent state. We must all together, including Ukraine, take account of the new realities and respond to them appropriately. This, in particular, applies to raising the level of activity in mutual and equal cooperation with the Russian Federation and other countries of the Commonwealth of Independent States. But these relations will not be developing at the expense of relations with our other partners.

I would like to stress that in the international arena Ukraine will defend its national interests, including economic ones, with even greater dynamism and pragmatism. These are the corrections that will be made in Ukraine's foreign policy, Udovenko stressed.

Rukh Critical of Yeltsin UN Speech

LD2809221994 Kiev UNIAN in Ukrainian 1900 GMT 28 Sep 94

[Text] Kiev—The People's Movement of Ukraine [Rukh] on 28 September issued a statement in connection with the declaration by Boris Yeltsin in his address to the 49th Session of the UN General Assembly on the Russian Federation's stance on foreign policy.

"The Russian Federation's position, set out by its president, demonstrates the intention of continuing chauvinist policies aimed at the division of worldwide spheres of influence and the restoration of the Russian empire in a new form. This course in the foreign policy of the largest CIS country objectively seeks to create an atmosphere of conflicts and confrontation and poses a threat to the whole of humanity.

"We believe that the position outlined by the Russian president will complicate the conclusion of an interstate treaty on friendship, partnership, and cooperation.

"We call on the government and foreign policy departments of Ukraine to offer resolute resistance to attempts to restrict Ukraine's sovereignty."

Drafting of Treaty With Russia Continues

LD2809201894 Kiev Radio Ukraine World Service in Ukrainian 1700 GMT 28 Sep 94

[Text] The drafting of a full-scale treaty on friendship, cooperation, and partnership between Ukraine and Russia is continuing. Ukrainian Presidential Press Secretary Mykhaylo Doroshenko said this at a briefing today. He said the draft document still has many key points which need to be specified and coordinated. Besides, it was stressed that the treaty is being drafted with Ukraine's interests taken into account.

Aide Announces Nov Yeltsin Visit

LD2809175894 Kiev UNIAN in Ukrainian 1625 GMT 28 Sep 94

[Text] Kiev—Today, Dmitriy Ryurikov, Russian Federation presidential aide for international affairs, at the completion of his two-day working visit to Ukraine, announced at a news conference at Russia's embassy to Ukraine that he is in Kiev to prepare for the Russian president's visit to Ukraine. He held meetings with representatives of Ukraine's presidential administration and Foreign Affairs Ministry, as well as with Yevhen Marchuk, deputy prime minister for national security issues; and Oleksandr Tkachenko, deputy parliament chairman.

Dmitriy Ryurikov said that Boris Yeltsin's visit to Ukraine, an important foreign policy event, will take place by mid-November. The final date will be announced during a personal conversation between Boris Yeltsin and Leonid Kuchma at a meeting between CIS heads of state in Moscow on 21 October.

Dmitriy Ryurikov believes the key issues, such as the Black Sea Fleet, assets and liabilities, and Ukraine's debt may remain undecided by a Kiev summit and discussions about them will continue at later negotiations between the sides until the conclusion of separate agreements on the issues.

Dmitriy Ryurikov said: "It will be only fair to say that relations between Ukraine and Russia in certain areas are more essential than those with the United States, which is determined by the very nature of these relations."

Commenting on Boris Yeltsin's statement in his speech at the 49th session of the UN General Assembly in New York on Russia's sphere of influence in Commonwealth countries, Dmitriy Ryurikov said that, in his view, Russia is also in Ukraine's sphere of influence. It is about normal cooperation in terms of security and foreign policy, rather than imposing Russia's will, he said. Relations between Ukraine and Russia should not be spoiled and should prevent possible attempts by other states to drive a wedge between them.

The sooner the sides mobilize their entire professional and intellectual potential and intensify negotiations, in Dmitriy Ryurikov's opinion, the sooner the presidents will not only be able to sign a fundamental political treaty but also tell their people that major problems between Ukraine and Russia are resolved.

Agreement Signed With IAEA on Nuclear Safety

LD2809212394 Kiev Radio Ukraine World Service in Ukrainian 1900 GMT 28 Sep 94

[Text] Ukraine and the International Atomic Energy Agency today signed an agreement, applying nuclear material safeguards to every aspect of Ukraine's peaceful use of nuclear energy. In a formal ceremony held at the IAEA headquarters in Vienna, the document was signed by the IAEA Director General Hans Blix, and Mykola Shteynberg, chairman of Ukraine's State Committee for Nuclear and Radioactive Safety.

G-7 Experts Discuss Phasing Out Chernobyl

LD2809181694 Kiev Radio Ukraine World Service in Ukrainian 1700 GMT 28 Sep 94

[Text] Ukraine's Premier Vitaliy Masol today received a group of G-7 experts. According to the Cabinet of Ministers Press Service, they discussed in particular the possibilities of implementing a project of phasing out the Chernobyl nuclear power station [AES], proposed by the West's leading countries. The project is linked with their promise to extend significant financial aid to Ukraine. The head of Ukraine's Government did not deny, in general, the fact that the Chernobyl AES must be closed down, but stressed that it would be virtually impossible to do this at present. The main reason for this is the absence of the required funds in Ukraine's treasury. In addition, phasing out the Chernobyl AES at present would create serious difficulties with regard to supplying power throughout the country during the winter time.

Vitaliy Masol told the G-7 representatives that the G-7 plans concerning the Chernobyl nuclear power station will be most thoroughly considered by the Ukrainian Government. Meanwhile, it was acknowledged as being expedient to form a bilateral working group to carry out a comprehensive examination of the project.

Ukraine's Deputy Premier Valeriy Shmarov took part in the conversation.

Nuclear Agreement Signed With Norway

LD2809161394 Kiev UNIAN in Ukrainian 1400 GMT 28 Sep 94

[Text] Kiev—Today, Borys Tarasyuk, Ukraine's deputy foreign affairs minister, and Siri Bjerke, Norway's deputy foreign affairs minister, signed a package of Ukrainian-Norwegian documents. They are the agreement on early notification of a nuclear accident and the exchange of information about nuclear facilities, and the protocol on cooperation between the foreign affairs ministries of Ukraine and Norway. They then held a joint news conference.

The representative of Norway underlined: "We are in the same boat called Europe, and the aftermath of an accident does not stop at the border."

Borys Tarasyuk announced that, apart from the nuclear issue, the negotiations focused on the subject of economic cooperation, of which some of the most promising areas are the shipbuilding, timber, and oil and gas industries. It is planned that agreements on air traffic, double taxation prevention, and investment protection will be signed in the very near future. To agree on the details, a group of Norwegian experts will come to Kiev at the beginning of October.

Siri Bjerke also announced the Norwegian government's decision to allocate $500,000 for Ukraine to purchase medical supplies and services for the servicemen personally taking part in dismantling nuclear weapons.

National Affairs

Continuing Reportage on Crimean Government Crisis

Supreme Soviet Restricts Presidential Powers

LD2909121194 Moscow Radio Rossii Network in Russian 1100 GMT 29 Sep 94

[Text] On Thursday morning during an article-by-article vote on the government, the Crimean Supreme Soviet adopted a provision according to which the prime minister is the head of the executive branch of power and not the president, as was the case before. Any mention of the president as the head of government and the deputy prime minister responsible for the direct leadership of the Council of Ministers has been excluded from other articles of the bill. After the vote, 12 deputies—supporters of Yuriy Meshkov—left the hall of the Supreme Soviet and declared what happened to be a constitutional coup d'etat.

Further on Powers Restriction

LD2909124394 Moscow ITAR-TASS World Service in Russian 1135 GMT 29 Sep 94

[By ITAR-TASS correspondent]

[Text] Simferopol, 29 Sep— A draft law on the government of the republic which, if adopted, would strip President Yuriy Meshkov of still more powers, was tabled in the Crimean parliament today. The president would, effectively, cease to be head of the government, a role allocated to him in the Constitution. Instead, this job would be taken over by a prime minister who would be vested with all powers necessary to form and lead the government. Under the Constitution this function belongs to the president.

Vladimir Klyuchnikov, the head of the opposition in parliament, believes that "if this law is adopted, the president will become something akin to the British queen, head of state in name only."

Deputy Aleksandr Frolov, deputy commander of the Black Sea Fleet, requested the floor and said: "You have gone too far in your violation of the Constitution. I refuse to take part in the vote." At that, he walked out of the debating chamber in protest and several other deputies followed his example.

"So what," said Sergey Tsekov, speaker of the Supreme Council. "Such things happen in parliament. I am aware of my responsibility for this law. We have not had a government for eight months. Therefore, we have no choice but to pass this law, especially as we are not contravening any legislation."

Adm Baltin Declines Meeting With Leaders

LD2809213094 Kiev UNIAN in Ukrainian 1900 GMT 28 Sep 94

[Text] Simferopol—UNIAN has already reported that, in assessing the recent political crisis in the Crimean Peninsula, Black Sea Fleet Commander Admiral Edurad Baltin blames it wholly on Yuriy Meshkov and Serhiy Tsekov, Crimea's president and Supreme Council chairman respectively, and has called on the two leaders to leave the political arena.

UNIAN has learned that today, Crimea's parliamentary chairman and president made an attempt to have a meeting with Admiral Baltin. However, the latter declined making any contact with the Crimean leadership.

Tsekov Responds to Baltin Comments

LD2809224694 Kiev UNIAN in Ukrainian 1625 GMT 28 Sep 94

[Text] Simferopol [no date as received]—Commenting on the statement by Admiral Eduard Baltin, commander of the Black Sea Fleet, who called for the resignation of Crimea's president and parliament speaker, the [Crimean] Supreme Council Chairman Serhiy Tsekov said on 28 September: "This statement shows that somebody is interested in presenting the collision between law and lawlessness as a conflict of two individuals. We will never put the president's unconstitutional decrees and the parliament's perfectly legitimate acts on the same scale. Our task now is to form a capable government and somehow survive the winter. I think that any concessions from the president cannot be other than temporary, a ruse to win breathing space and deal with the legislature in some other manner."

President Yuriy Meshkov refused to comment on Adm. Baltin's statement.

Cholera Spreads; 11 Deaths, 265 Cases Reported

AU2809175894 Kiev HOLOS UKRAYINY in Ukrainian 27 Sep 94 p 8

[Unattributed report: "The Cholera Onslaught Continues"]

[Text] The cholera epidemic situation in Ukraine remains complicated. Altogether 265 persons have been diagnosed with cholera, 1,919 persons have been hospitalized with suspected cholera, and 11 persons have died from cholera. According to Ukraine's Ministry of Health, the greatest number of cholera victims has been recorded in Nikolayev and Nikolayev Oblast (131) and in the Autonomous Crimean Republic (82). Nor has the affliction bypassed other Ukrainian oblasts. For example, cholera breeding grounds have been recorded in Zhytomyr, Zaporizhzhya, Kirovohrad, Kherson, Chernivtsi, Dnipropetrovsk, and Lvov oblasts.

The strain of the cholera vibrion revealed after 1 September is very aggressive. That is why, in many cases, the course of the disease is very grave. Specialists believe that this strain was brought from Turkey.

Undoubtedly, the epidemic in the Crimea was also promoted by the shortage of drinking water. In addition to the cholera vibrion, pathogenic agents of dysentery and other acute intestinal diseases have been revealed in open water reservoirs and in the sewage. It is also typical that mainly people without any permanent residence, alcoholics, and persons with a disorderly life style are among the victims.

Laboratory studies point to the presence of the cholera pathogenic agent not only in water, but also in fish. Sardines are particularly dangerous; poachers catch them, process them in salt, and sell them without any control. The majority of cases were due to the consumption of salted sardines bought from unauthorized vendors.

It is very distressing that not all services have realized the importance of taking urgent measures. For example, in Nikolayev, 20 instances of pipeline damage have been revealed. Not much has been done by the State Committee for Foodstuffs Industry in providing people with mineral water, juices, and good-quality foodstuffs.

In view of the extremely serious epidemic situation, which has taken shape mainly in the Crimean Autonomous Republic and in southern oblasts of Ukraine, at the demand of Ukraine's Procurator General, the fulfillment of the Ukraine's law "On Ensuring the Sanitary and Epidemic Well-Being of the Population" is being examined everywhere.

At the same time, the Ministry of Health recommends that all of us take care and use only boiled water for drinking and cooking, thoroughly wash vegetables and fruit or pour boiling water over them, and keep our hands clean. In cases of intestinal problems, it is necessary to see the doctor urgently.

Kuchma To Propose Local Government Reform

LD2809202794 Kiev Radio Ukraine World Service in Ukrainian 1900 GMT 28 Sep 94

[Text] President Leonid Kuchma intends to propose that the Supreme Council introduce amendments into the draft law on local councils. In the president's opinion, heads of local administrations should be vested with the right to act as executive authorities while councils should perform the functions of local self-government.

Mykhaylo Doroshenko, head of the Ukrainian president's press center, told this to journalists at a briefing. He said that Leonid Kuchma's proposals are geared to reform the political system, that they have been supported by all the heads of oblast councils. In their appeal to the Supreme Council, adopted at a conference in Zaporozhye on 23 September, they proposed that the vacuum of power be filled by setting up a clear-cut and consistent vertical structure of executive power, from the president down to the village council chairman. The idea is that the council chairman should become the only representative of state executive power at the local level.

Describing the situation that has taken shape in Crimea, Mykhaylo Doroshenko pointed out that the stand of President Leonid Kuchma remains unchanged—both the Supreme Council and the president of the Republic of Crimea must agree to a zero option—in other words, to the situation that existed before the adoption by Yuriy Meshkov of a decree on terminating the parliament's activities. There is no other way around.

Rukh Leader Supports Kuchma Plan

LD2809203394 Moscow INTERFAX in English 1645 GMT 28 Sep 94

[From the "Presidential Bulletin" feature No. 188 (678): Compiled by NikolaY Zherebtsov, Andrey Petrovskiy; Edited by Vladimir Shishlin]

[Text] The deputy chairman of the parliamentary commission for legal policies and court and legal reform, one of the leaders of the Popular Rukh (the biggest nationalist party in Ukraine which has declared itself as a constructive opposition to the President) Aleksandr Lavrinovich supports the President Kuchma's intention to strengthen the vertical chain of command and leave to the local bodies of authority the function of self-government.

"I am prepared to subscribe to this intention of the president", Lavrinovich said in an interview on Tuesday. He believes that the Supreme Soviet must be parliament and nothing else, and local authorities—bodies of self-government.

Lavrinovich described the parliamentary speaker Aleksandr Moroz's understanding of the functions of executive government as evidence of an intention "to be general secretary" (the Ukrainian parliamentary speaker is for a greater role of the Soviets in running the nation).

Lavrinovich believes that apart from lawmaking functions the legislative branch must perform others, in the first place that of control of the executive branch.

People's Deputy Vladimir Muliava believes that making the leaders of local Soviets subordinate to the President is precisely the centralization element Ukraine needs". He said that the president's intention would do good to democracy because "our democracy has no experience of discipline."

The leader of the Communist faction in parliament, first secretary Petr Simonenko agreed that there should be a presidential vertical chain of command, but at the same time said it would be feasible to delegate executive functions to the Soviets, because he believes that only a merger of executive and legislative branches of power can end the crisis.

Deputies Request Making Russian Language Official

LD2809223094 Kiev UNIAN in Ukrainian 1900 GMT 28 Sep 94

[Text] Kiev—A UNIAN correspondent on 28 September learned from sources close to the Ukrainian Supreme Council Presidium that, at the initiative of People's Deputies Volodymyr Aleksyeyev from Kharkov and Vasyl Tereshchuk from Mariupol, Ukrainian President Leonid Kuchma was asked by deputies to provide information about the timescale and mechanisms to carry out Kuchma's preelection pledge on making the Russian language official.

People's deputies voiced their readiness to back the president on this issue, with the request signed by 152 members of parliament representing five groups of deputies: the communists, the socialists, the agrarians, the "Unity", and the Interregional Group of Deputies. They are, in particular: Valeriy Babych, Oleh Taranov, Volodymyr Mukhin, Oleksandr Karpov, Petro Symonenko, Viktor Suslov, Yevhen Shcherban, Oleksandra Kuzhel, and others.

Deputies Unhappy About Advisor Appointment

LD2709205794 Kiev UNIAN in Ukrainian 1330 GMT 27 Sep 94

[Text] Kiev—A representative of the deputies' "Reforms" group, who wished to remain unidentified, has told a UNIAN correspondent that some of the group members are unhappy about Viktor Pynzenyk's consent to his appointment as a supernumerary advisor to the Ukrainian president under a directive of 13 September. The representative of the deputies' group believes that the group should continue to take a fundamentally free-market position and that Viktor Pynzenyk's consent represents a deviation from the group's principle: "The economy should not be at the mercy of ideology."

The Ukrainian president's decision to appoint more advisors is seen by the "Reforms" group representative as a lack of specialists on the presidential team who would be able to draw up a market transformation program.

In an interview with UNIAN, Viktor Pynzenyk, chairman of the Fund in Support of Reforms, explained that he agreed because he did "not think it right not to get involved in the processes under way in Ukraine."

Viktor Pynzenyk is this week to take part in the preparation of a report by the president to the Supreme Council session on 4-7 October.

Energy Committee Chairman on Arrest of Deputy

LD2809212194 Kiev UNIAN in Ukrainian 1900 GMT 28 Sep 94

[Text] Kiev—Interviewed by a UNIAN correspondent on 28 September, Mykhaylo Kovalko, chairman of Ukraine's State Oil and Gas Committee, stated that he is unaware why Yevhen Sukhin, the committee's first deputy chairman, was taken into custody. On 24 September, Yevhen Sukhin was summoned from his office to the Internal Affairs Ministry whence he did not return.

Mykhaylo Kovalko assured UNIAN he does not know what the charges against his subordinate are. He said: "If there were mistakes, it was not done on purpose. It was because our country had to be provided with oil in the winter." He added that as oil prices on the world market changed very rapidly, there was a possibility for accusations of fraud involving prices for petroleum products to be groundlessly made.

Asked if he intends to resign from the post of State Oil and Gas Committee chairman due to his election as a people's deputy of Ukraine, Mykhaylo Kovalko answered that he will make a decision that will be in the committee's interests; nor did he rule out a possibility that he will renounce his deputy's powers, should that also be in the committee's interests.

Muslims See 'Bias' in Banning of Congress

AU2909112894 Kiev MOLOD UKRAYINY in Ukrainian 27 Sep 94 p 1

[Report by Volodymyr Prytula, MOLOD UKRAYINY special correspondent, from Simferopol: "The 'Russian Party' Is Immune to Cholera?"]

[Text] In thoroughly politicized Crimea, even cholera seems to become a political tool. At any rate, organizers of, and participants in, the first congress of Ukraine's Muslims that had been scheduled for 24 and 25 September in Simferopol believe that political considerations were actually behind its cancellation. On 23 September, the eve of opening the congress, Boris Lezhentsev, chief state sanitary inspector of the Crimean Republic, banned with by his resolution No. 9 the holding of the Congress of Ukraine's Muslims. He explained his action by citing "inadequate conditions for organizing the aforementioned congress in light of the unfavorable cholera-related situation and insufficient amounts of water for the population." Well, this is a serious reason. However, also in this connection, Ukrainian Muslims are quite justifiably asking a number of questions. For example, why did Mr. Lezhentsev ban the Muslim congress only one day before its scheduled opening, when the delegates had already arrived in Simferopol and had already drunk the water that is in such short supply for the population? Or: Why did the ban apply only to Muslim plans, and the "Crimean Russian Party" congress safely took place on 24 September and was attended by many delegates from throughout Crimea and outside Crimea? Incidentally, the delegates also paid tribute to the scarce Simferopol water by drinking it. As stated by Sergey Shuvaynikov, leader of the "Russian Party," the Crimean Sanitary and Epidemiologic Center did not object to holding their congress. Apparently, Mr. Lezhentsev believes that cholera is only dangerous for Muslims. One can understand how astonished they were at the Crimean chief state sanitary inspector's position. Even if politics have nothing to do with it, the blatant incompetence of officials is disheartening. However, the almost 200 delegates who arrived to the congress of Ukraine's Muslims are convinced of the authorities' biased attitude toward them.

Split, Confrontation Within UNA-UNSO Noted

WS2809155494 Lvov VYSOKYY ZAMOK in Ukrainian 24 Sep 94 p 1

[Report by Nataliya Balyuk: "Ukrainian National Self-Defense Has Been Virtually Destroyed in Lvov Oblast"]

[Text] Our newspaper has already reported that Yuriy Shukhevych requested that the Ukrainian National Assembly-Ukrainian National Self-Defense [UNA-UNSO] release him from the post of UNA-UNSO chairman, apparently on account of personal problems. At its August session, the UNA honored his request.

Yuriy Shukhevych summoned a UNA-UNSO regional conference on 21 September.

Before tendering my resignation from the duties of UNA-UNSO chairman, I sent a letter to the UNA Command, in which I presented my objections regarding the domestic and foreign policy conducted by the UNA-UNSO, Yu. Shukhevych said. I hoped that this letter would somehow affect the organization's policy and its course would change. The UNA was a Ukrainian nationalistic organization. It was based on the principles of Ukrainian nationalism, particularly on Dontsov's ideology. In the latest issue of HOLOS NATSYI, however, I read that we should follow the examples of Mao Tse-tung, Bakunin, Kropotkin... There was no Ukrainian name! Yet, nationalism cannot exist with a national basis. We must not allow for such a phenomenon. As a result, we see an unexpected turn in domestic policy, particularly, interference in interreligious conflicts, in which the UNA takes sides. This has led to a loss of respect among the people.

We have also committed many errors in our foreign policy. You know that we supported Georgia, but this happened accidentally. We could have fought on the Abkhasian side as well. We could have ended up in Yugoslavia on the Serbian side...

In his speech, Yuriy Shukhevych also addressed strictly organizational issues. He noted that the organization removed talented people who were competitive to the command. Obedient executors, who are faithful not to the organization but specific leaders, were appointed as commanders. According to Yu. Shukhevych, young people were not raised in the nationalist spirit. "Zombies were drilled at training camps," he said.

I think that such people as Melnyk and Korchynskyy (leaders of the Kiev branch—N.B.) are not able to lead the UNA-UNSO.

UNSO gunners, who addressed the conference, said that they had sensed a split and confrontation within the organization already long ago. Yuriy Shukhevych appealed to gunners from all over Ukraine to declare what political line they support.

Lvov's Last District Council Dissolved

WS2909101994 Lvov VYSOKYY ZAMOK in Ukrainian 22 Sep 94 p 1

[Report by Yuriy Borutskyy: "The Last District Council in Lvov Has Dissolved Itself"]

[Text] On 21 September, the 18th session of the Frankivskyy District Council passed a resolution to dissolve the council. By doing so, the district council deputies supported the proposal by the City Council to introduce a new structure of self-government in Lvov, making the mayor's office the sole representative body in the city. The functions of head of the District Executive Committee will be performed by Vasyl Repetylo, until the head of the District Administration is appointed at a City Council session.

Vasyl Dzera, former chairman of the Frankivskyy District Committee, will assume the post of general manager of the Lvov Chemical Machines Plant. Speaking at the session he thanked the deputies for their diligent work and suggested that public self-governing committees be established in every district to maintain relations with the city's leadership.

This is how Lvov Mayor Vasyl Kuybida commented on the aforementioned resolution: "There are no more district councils in Lvov. Thus, we have undermined the Soviet system of power in its traditional negative sense." Supreme Council Chairman Oleksandr Moroz has promised to propose to the Supreme Council session that Lvov's administrative innovation be recommended to other Ukrainian cities, and said that he would promote this idea.

As a farewell gesture, Vasyl Dzera presented each deputy with a photograph of the entire deputies' corps and gave his autograph to all those who wanted it.

Opposition to Nuclear-Free Status Seen

MM2909100794 Moscow NOVAYA YEZHEDNEVNAYA GAZETA in Russian 28 Sep 94 pp 1-2

[Article by Sergey Kiselev under "Plutoniada" rubric: "Don't Hold Ukraine by Its Nuclear Reserve. There May Be a Chain Reaction"]

[Excerpts] Kiev—It seems that differences of opinion over the fate of nuclear weapons between the president of Ukraine and the speaker of its parliament could provide grounds this fall for Leonid Kuchma's first serious conflict with the republic's Supreme Council, with "right-wing" and "left-wing" political forces, and with west and east Ukraine. [passage omitted]

At the first news conference which Leonid Kuchma held right after his victory in the presidential election the newly elected president answered a question from journalists who asked if Ukraine will now subscribe to the Treaty on the Non-Proliferation of Nuclear Weapons by saying that there should be no particular haste over this, since the United States is still in no hurry to hand over the promised money to Ukraine.

In the middle of August, however, Leonid Kuchma unexpectedly made a sensational statement. He reported that he would ensure the Supreme Council's confirmation of the decision on Ukraine's subscribing to the Nuclear Non-Proliferation Treaty and would submit this treaty for the deputies' approval in October, prior to his November visit to the United States. According to Kuchma, the Nuclear Non-Proliferation Treaty remains the only problem in Ukrainian-U.S. relations, and so this treaty must be signed. At the same time the Ukrainian president called the procedure of this treaty's ratification by parliament a mere formality.

Before two days had passed, however, Ukrainian Supreme Council Chairman Oleksandr Moroz issued a statement. He said that the republic was not yet ready to sign the Nuclear Non-Proliferation Treaty. According to him, parliament must ponder how useful this international Nuclear Non-Proliferation Treaty can be, since it has been violated repeatedly, and signing this document will be of no benefit to Ukraine and other countries.

Boris Oleynik, member of the Ukrainian Supreme Council Presidium, chairman of the parliamentary Foreign Policy Commission, and one of the leaders of the Communist Party of Ukraine, issued an analogous statement at the end of August.

Thus, there can be no doubt that a serious confrontation is expected in Ukraine between, on the one hand, Speaker Oleksandr Moroz and also, accordingly, the procommunist majority in the Supreme Council, which fully supports him, and Ukrainian President Leonid Kuchma on the other. At the same time there is no doubt that both center-right parties of a national democratic orientation, which right from the start have opposed Ukraine's nuclear-free status (not to mention ultraright-wing jingoists!), and "left-wing" parties—communists and socialists—will come out on the side of Oleksandr Moroz. That is, the head of state might find himself without any support, and the regions of both west and east Ukraine will oppose his intention to have Ukraine finally enter into civilized relations with the West and fulfill international obligations with regard to the state's acquiring nuclear-free status.

The newly elected Ukrainian president seems, nevertheless, to be aware that, unlike his predecessor, he will not be able to play in the world political arena the "good progressive democrat-president" opposed by a "bad conservative procommunist parliament," and so there is no possibility of getting rid of the nuclear weapons sited on the republic's territory. Time will show, as the saying goes, how determined Leonid Kuchma is to go all the way in the struggle for nuclear disarmament, even as far as the dissolution of parliament.

Nuclear Waste Burial Delayed Near Chernobyl

MM2809105594 Moscow KOMSOMOLSKAYA PRAVDA in Russian 28 Sep 94 p 1

[Unattributed report under the "Inform" rubric: "Can Things Get Any Worse for Chernobyl?"]

[Text] The Chernobyl zone has been turned into a large preserving jar, into which radioactive waste from all over Ukraine is periodically dumped. But this time there was a slight hitch with the burial. Three KamAZ trucks with a lethal load were stopped at the entrance to the 30 km zone and were not allowed through for over a week. All this time the drivers were sleeping in the cabs in direct proximity to the containers, listening to threats from local peasants, who also did not like being in the vicinity of the radiation trucks.

The waste had been brought from Nikolayev. An ampoule containing the cesium-137 isotope had been unsealed in one of the plants there. There were casualties, but the consequences had been eliminated, and they decided to send the "dirty" instruments, equipment, and also garbage and earth to "the zone." But inaccuracies crept in when they drew up the documents—they erroneously recorded that they were also sending off plutonium-239 waste, which throughout CIS territory is buried only near Krasnoyarsk. Naturally, such a "gift" was refused. It took a long time to explain that there had been a misunderstanding, although this burial was being directed from Kiev and from the International Atomic Energy Agency headquarters.

Kuchma Briefs Bank Leaders on Reforms

LD2809202894 Moscow INTERFAX in English 1645 GMT 28 Sep 94

[From the "Presidential Bulletin" feature: compiled by Nikolay Zherebtsov, Andrey Petrovskiy; edited by Vladimir Shishlin]

[Text] Leonid Kuchma is going to ask parliament to reduce taxes on commercial banks, give them greater say in privatization, as well as equitable access to monetary funds, as he will present his anticrisis program to parliament early next month.

Kuchma briefed the leaders of 14 leading commercial banks of Ukraine with some ideas of his report to parliament on Tuesday.

The leader of the Kiev banking union Pyotr Miroshnikov, who is president of the INKO bank, has told journalists after the meeting that agreement had been achieved on the concept of reforming the financial and banking systems. He said the draft of the presidential address to parliament was evidence of the determination to effect fundamental reforms in privatization, monetary policies and taxation.

Miroshnikov said that Kuchma planned to initiate the adoption of laws on the entire range of issues discussed. Miroshnikov said President Kuchma was aware that he would not get reforms going without a normal banking system. "The president's readiness to consult with commercial banks spells his genuine readiness to conduct reforms", Miroshnikov said.

The presidential macroeconomics adviser Anatoliy Galchinskiy has said that among other things Kuchma would like to hear from the bankers "what share of the burden banks were prepared to carry in order to effect the program". The purpose of the meeting with the bankers in Kiev was to achieve understanding on how to reform finances and banking, Galchinskiy said.

The Ukrainian leaders have drawn up a memorandum and a message to the IMF containing the basic parameters of a Ukraine's anticrisis economic development program.

Interfax-Ukraine has learned that in the draft memorandum, which has been practically finalized, the Ukrainian government said it was ready to start working at once on an economic program consisting of four elements: the liberalization of the economy, macroeconomic stabilization, a safety net for the low-paid and faster structural changes.

The government's influence on pricing will be reduced. The program will make industrial and agricultural consumers pay the full price of energy. Government subsidies for domestic coal and electricity would be reduced.

The house rent and amenity prices at the initial phase will grow from the current five percent to 30 percent.

In the currency market the interbank auctions of foreign currencies will be resumed at once, and the exchange rate unified at the rate set by the interbank market.

All export quotas and licenses (including those for grain and coal, are going to be cancelled as of January 1995) except for the goods whose export is restricted under international agreements.

Those ministries and state committees which are in charge of commanding the economy would be gradually reduced.

The government believes it will be possible to liberalize wages only after the level of inflation has been reduced and financial discipline of enterprises enhanced.

Government To Tighten Controls on Imports, Exports

LD2809140194 Kiev UNIAN in Ukrainian 1225 GMT 28 Sep 94

[Text] Kiev—The Cabinet of Ministers of Ukraine has approved a resolution on "the course of implementation of the state contract and state order for the export of goods," which acknowledges that the delivery of goods for export under state contracts and state orders in the first half of 1994 is unsatisfactory. According to the resolution, $287.6 million worth of products have been delivered which is 21.5 percent of the established annual volume.

According to the Cabinet of Ministers, one of the reasons for the disruption to deliveries is the sharp increase in the proportion of barter operations. The resolution obliges the Ministries of Finances, Economy, Foreign Economic Relations, Industry, Transport, Agriculture and Foodstuffs, the state committees for the food industry and material resources to "adopt urgent measures to increase the volume of deliveries," "guarantee the immediate financing of these deliveries, dispatch the products to the fullest extent, as well as to "review the system of guaranteeing that hard currency funds are received in 1995 so that they may be used for state requirements."

According to the resolution, ministries and departments should by 30 November submit their proposals on making legislative changes to the Ukrainian law "On Foreign Economic Activity," which would foresee an increase in state control over the carrying out of import and export operations as well as submit "proposals on establishing economically substantiated tariffs on shipments and processing of export cargo."

Import Regulations Prompted by Trade Debt

LD2809200294 Kiev UNIAN in Ukrainian 1625 GMT 28 Sep 94

[Text] Kiev—"A significant trade deficit and absence of sources to finance it have prompted the Ukrainian president to sign an edict on regulating import," Ukraine's Deputy Finance Minister Borys Sobolev pointed out in a conversation with a UNIAN correspondent.

According to the National Bank of Ukraine, in the first 6 months of 1994, Ukraine's foreign trade deficit was $733 million (the deficit of the balance of trade with CIS countries amounted to $1.214 billion, while the balance of trade with other countries was favorable and amounted to $481 million). The current balance over that period amounted to the overall sum of $406 million. Its deficit was covered at the expense of credits to the value of $1.168 billion granted by foreign states. The outflow of capital amounted to $250 million.

In the opinion of Borys Sobolev, this situation prompted the president to authorize an inter-departmental commission to work on reducing the trade deficit.

As far as import substituting products are concerned, according to Borys Sobolev, a new duty will be fixed (ranging between 10 and 20 percent).

Kuchma Appoints Antidumping Commission

LD2809222194 Kiev Radio Ukraine World Service in Ukrainian 2000 GMT 28 Sep 94

[Text] Ukrainian President Leonid Kuchma signed a decree on 28 September on appointments to the interdepartmental commission for antidumping inquiries into the export of Ukrainian-made goods. Serhiy Osyka, minister of external economic relations, was appointed chairman of the commission. The final draft of the regulation on the interdepartmental commission is to be submitted within two weeks.

Government To Regulate Bread Prices

LD2809093894 Kiev UNIAR in Ukrainian 0700 GMT 28 Sep 94

[Text] Kiev, 27 Sep—The Cabinet of Ministers of Ukraine has approved a resolution on "the state regulation of prices for bread, bread products and mixed fodder." The Crimean Government, oblast executive councils, the Sevastopol town executive committee, and the Kiev city state administration have been instructed to fix by 1 November 1994 economically substantiated retail prices for bread and bread products based on the regulated prices for grain, production costs, and the level of profitability.

Belarus

Lukashenka To Present Anticrisis Program 'Shortly'

LD2809152294 Moscow INTERFAX in English 1149 GMT 28 Sep 94

[Text] Belarus President Alyaksandr Lukashenka is expected to outline the draft of an anticrisis program in parliament shortly.

The last version of the document, which Lukashenka sent to parliamentary commissions Wednesday, envisages among the top priority measures the introduction of the Belarusian ruble as "the only legal tender for a transitional period." The use of foreign currency in accounts and cash circulation on the territory of the republic will be prohibited.

To maintain the monetary and commodity balance, it is planned to produce more consumer goods and provide more paid services "by drafting a special national program toward this end."

Oil and gas prices and electricity tariffs should be brought as close to real costs as possible by pricing Russian oil through clearing to keep mutual supplies in balance.

To improve the balance of trade and payment, the program provides for electricity and gas to be paid for in advance for the volume of five days' consumption.

As of October 1, electricity consumption will be rationed for the population, and higher tariffs will be fixed for consumption above the norm.

In currency regulation, the task is to concentrate all national currency reserves in the National Bank and oblige banks to reserve currency at its accounts to regulate the rate of the Belarusian ruble more effectively.

Economic Reform Package Previewed

LD2809202094 Moscow INTERFAX in English 1645 GMT 28 Sep 94

[From the "Presidential Bulletin" feature: compiled by Nikolay Zherebtsov, Andrey Petrovskiy; edited by Vladimir Shishlin]

[Text] President Alyaksandr Lukashenka is due to unveil shortly a package of urgent measures designed to lead the country out of economic crisis. An amended copy of his speech sent to parliament was made available to Interfax news agency.

As a topmost priority, the president wants parliament to legislate that starting from next month, the Belarussian ruble will operate as the only legal tender in the country over an interim period. The use of other currencies in settlements or as cash will be banned

To balance money and commodity supply, it is envisaged to increase the production of consumer goods and services. A special government program will be drawn up to double output and liberalize domestic and foreign trade.

Proposals are also made to readjust energy prices to production cost and set prices for oil imports from Russia at a level enabling to balance bilateral trade. The cost of natural gas is to be raised gradually to help towards repayment of debt to Russia.

The president's report referring to estimates by the National Bank put the country's external debt in the six months to July at $65 million, most of it to Russia. It says the current debt for fuel imports from Russia has reached 25 percent of the country's GDP. As a way of narrowing the deficit, prepayment for electricity, heating and gas is envisaged. A 12-month energy saving measure is to be introduced from October 1 to ration energy consumption and charge additional rates for any energy consumed over and above the set ration.

Apart from a prescribed list of exports falling into line with the country's international commitments, all other export quotas and licences will go.

On currency regulation, the president sets the task of accumulating all exchange reserves at the National Bank's currency reserve. Other banks are instructed to set up their reserve funds to help regulate the rate of the local currency. Individuals and corporate bodies will be allowed to open deposits in CIS currencies. The 15 percent currency tax is to be annulled, but the companies will have to sell half of their export earnings in hard and softer currencies on the money market.

A two-month amnesty will be declared on the holders of foreign bank accounts if they agree to remit the money to domestic banks.

Social Democrats Reject Anticrisis Program

WS2809145194 Minsk BELAPAN in English 1200 GMT 28 Sep 94

[Text] The parliamentary group of the Belarusian Social Democratic Assembly [BSDH] will not back up the government's program of urgent measures for going out of crisis. This was declared at a press conference which was given by the parliamentary group at the Supreme Soviet's press center on September 28. Commenting on the program, People's Deputy Viktar Alampiyew noted that its implementation cannot improve the living standards of the population. In V. Alampiyew's opinion, in addition to the government's intention to raise prices and tariffs for public utilities and transport and other similar measures, the program envisages obviously insufficient measures in the sphere of stabilization of the Belarusian ruble. He also pointed out that the president and the government attached too much attention to strengthening the system of state regulation and control, and disregarded measures aimed at the creation of favorable conditions for intensifying the activities of managing subjects. Leader of the parliamentary group Aleh Trusaw stressed that the main defect of the program was lack of proposals to carry out a land reform. Besides, there is no plan of actions for saving electric power and drinking water in the program, which, in his opinion, is of vital importance.

State Privatization Program Reviewed, Criticized

WS2809113394 Minsk ZVYAZDA in Belarusian 24 Sep 94 p 2

[Report by Alyaksandr Shchadryanok: "It Seems That Privatization in Belarus Is Coming Out of Deadlock, Though Unsteadily"]

[Text] "Privatization has gone through a difficult time, as there have been attempts to disparage and suspend it. The president's speech delivered at the Businessmen's Assembly confirmed that all this is a thing of the past. We are currently ready to speed up the pace of privatization," Kazimir Ramanowski, deputy minister for administrating state property, told journalists.

A "standstill" in the sphere of denationalization of our economy has lasted for more than two months. Although neither a presidential edict nor a government resolution were issued in this regard, several statements by political leaders were enough to "freeze" all privatization programs. As a result, the 1994 state program for privatization, which envisions privatization of 20 percent of the state property, will hardly be carried out. Out of 370 state-owned enterprises, as few as 112 have been denationalized.

Local soviets are also lagging behind with privatization of municipal property. In 15 cities, appropriate programs have not even been drafted. Whereas in Brest and Hrodno, despite critical statements regarding privatization voiced from high rostrums, service and trade facilities were sold at auctions, and deputies from Zhlobin attempted to suspend privatization. Perhaps they would have managed to do that, but it not only proved that no facility has been privatized there, but also that no privatization program has been drafted. Taking into account such an attitude toward "small privatization" from local authorities, one should not be surprised that only 5 percent of the municipal property has passed into private hands, compared with 80 percent in Russia and over 20 percent in Ukraine.

Regarding voucher privatization, a "lull" is observed in this area as well. A mere 23.7 percent of Belarusian citizens, who have the right to obtain personal privatization vouchers, have applied for them. Voucher certificates have been issued to 3.9 percent of citizens, still, the people are not rushing to exchange them for shares in privatized companies. Moreover, joint stock companies, whose shares are sold to the people, are also quite passive. Instead of launching an advertising campaign, they have burdened the state with all their problems connected with privatization.

The number of investment funds, however, is growing. There are already 16 such funds, and six of them have already received all required documents. The first auctions, at which company shares are to be sold to investment funds, will be held in late October. Additionally, there are 48 companies in Belarus, which simply trade vouchers. Given the nominal price of a voucher amounting to 2500 rubles [R], they are buying them for R500-R800. The low market price for vouchers is explained by a low demand among businessmen, which in turn brings about uncertainty with regard to the future of privatization.

Regarding its prospects, it can now be stated that privatization will continue. It is unclear, however, by what methods.

A presidential edict, the text of which has already been altered more than ten times, should make everything perfectly clear. Meanwhile, in analyzing the latest speeches by A. Lukashenka and M. Chyhir, one may come to the conclusion that it will be "small privatization" which will be more actively pursued in the first stage. By the way, East European countries and Russia also started this way, and then they would turn to voucher privatization and sale of industrial enterprises shares. In my opinion, it is difficult to find a better path toward reforming the economy than this one. Logically, Belarus should also embark on it.

However, statements made by the deputy minister indicate that we are again going to do this our own way. "Shares of state-run companies will be sold. Contracts will be signed with their managers, and government representatives will join the auditing councils." As everyone sees, the state is going to have a controlling interest in those companies and supervise production, as was the case before. If this takes place, then, first, enterprises will remain a burden to the state, demanding preferential credits and subsidies. Second, it will be difficult for them to cooperate with those Russian companies which will soon become private. Worldwide experience shows that private business in one country primarily cooperates with private business in another, and not with that state. Third, we will forever lose our attractiveness to foreign investors. There are also other aspects. As a result, our economy will not be different from the former socialist one, with all its shortcomings and ailments. This means that our living standards will not improve soon.

'Civic Accord' Faction Formed in Supreme Soviet

WS2809145094 Minsk BELAPAN in English 1200 GMT 28 Sep 94

[Text] On September 28 morning, speaking at the Supreme Soviet session in the "miscellaneous" portion

People's Deputy Anatol Lebyedka announced the formation of a deputy group entitled "Civic Accord". According to him, the group will promote the establishment of a constructive dialogue between the Supreme Soviet and the executive authorities headed by the president, to favor the adoption of decisions aimed at the strengthening of state sovereignty and going out of economic crisis, preparation for new parliamentary elections. The deputy group unites over 250 deputies. Among them are Dmitriy Bulakhaw, Vasil Dawhalyow, Anatol Lebyedka and others.

Party Leaders Outline Future Activities

WS2809154994 Minsk SEM DNEY in Russian 24 Sep 94 p 3

[Report on interview with Alyaksandr Dabravolski, chairman of the United Democratic Party of Belarus, and Leanid Shkolnikaw, chairman of the Movement for Social Progress and Justice, by Halina Malakhovskaya; place and date not given]

[Text] After summer vacation, with the coming of fall, the situation in parties and movements is again becoming warmer. Our readers are also becoming more interested in political and economic transformations in the Republic. A majority of their questions concerns the current activities of our leading politicians and former state officials. To meet the expectations of our readers, we will be publishing interviews with them. Today, a SEM DNEY correspondent talks with Alyaksandr Dabravolski, chairman of the United Democratic Party of Belarus [ADPB], and Leanid Shkolnikaw, cochairman of the Republican Council of the Movement for Social Progress and Justice [DSPS].

After Moscow—Washington

Alyaksandr Dabravolski has been invited to participate in the elections to the U.S. Congress as an observer. He now has to improve his English, since he is going to Washington without an interpreter. Alyaksandr Dabravolski has readily agreed to give an interview to SEM DNEY.

[Dabravolski] The United States has invited 100 young leaders from 50 countries to the elections which will be held in early November. I will be the only representative of Belarus. I hope that this 12-day visit to the United States will be fruitful. I am going to learn about the U.S. election system and meet with state officials and political activists.

[Malakhovskaya] However, prior to the November visit, you are going to have an October visit as well, are you not?

[Dabravolski] From 1 to 2 October, at the invitation of Yegor Gaydar, Sergey Shakhray, Grigoriy Yavlinskiy, and other politicians, the ADPB leadership will be participating in a roundtable meeting of liberal-conservative parties from Russia, Ukraine, and Belarus. We will discuss issues concerning ways of overcoming the current economic crisis, as well as international and interparty cooperation.

[Malakhovskaya] What are the current activities of the ADPB?

[Dabravolski] We have established an analytical center. Political and economic specialists will analyze the situation in the Republic and the government's activities. They will then work out proposals regarding ways out of the crisis.

[Malakhovskaya] If it is not a secret, which famous economists or politicians have joined the center?

[Dabravolski] We have decided not to reveal their names. The initial results of our research have already been published.

By the way, we did not have a summer vacation. As a result, we will soon have another 15 organizations in addition to the 60 which are currently operating. The ADPB discussion club has resumed its work, and we invite everyone to join it. As always, we are meet on Wednesdays in Minsk, on 10 Sudmalisa Street, apt. 4; the "Praletarskaya" subway station; tel. 29-08-34.

Left-Centrists Are Preparing Referendum

The activists and followers of the DSPS believe that the USSR must be revived in a new form. They are laboriously working to develop ways of uniting the state. Our correspondent talks with DSPS Republican Council Chairman Leanid Shkolnikaw.

[Malakhovskaya] Leanid Yefimovich, the Minsk City Scientific Conference was held on 20 September. The conference participants discussed issues concerning uniting fraternal nations in a revived USSR. Was this forum representative? To what degree is what you are advocating realistic?

[Shkolnikaw] At the conference, scientists and politicians of the left-centrist orientation addressed a 200-strong audience. Basing their positions on the DSPS platform document entitled "A way out of the crisis—socialist alternative," the participants again voiced their support for a union with Russia and other fraternal nations on voluntary and mutually beneficial grounds. Is a new USSR realistic? The very sovereignty of republics guarantees a revived USSR.

[Malakhovskaya] There are rumors that the DSPS is preparing a referendum. Is that true?

[Shkolnikaw] Questions to be included in the referendum will be approved at the Second Congress of the Belarusian People, scheduled for 1 October. Representatives of all organizations united in the People's Movement of Belarus are currently working on them. So far, the following topics are being discussed: On revision of the current state symbols, on equal status of the Belarusian and Russian languages, on ways of reestablishing the state unity of fraternal nations, and on private and public ownership of production sources.

The Second Congress will also discuss a platform of the left-centrist bloc.

[Malakhovskaya] A year ago, the First Congress of the Belarusian People was addressed by the current President Alyaksandr Lukashenka. Will he participate in this year's congress?

[Shkolnikaw] Alyaksandr Ryhoravich was then a common deputy. His speech, by the way, made an impression on the congress participants. Having listened to his speech, everybody rose from their seats.

[Malakhovskaya] Will a solemn demonstration be held this November?

[Shkolnikaw] We are going to celebrate the 77th anniversary of the October Revolution on 6 November.

In October, we will undoubtedly commemorate casualties of the Russian events, either at a rally or a civil vigil.

Moldova

Snegur To Denounce Separatism in UN Address

LD2809153594 Moscow ITAR-TASS in English 1416 GMT 28 Sep 94

[By MOLDPRESS]

[Text] Kishinev [Chisinau] September 28 TASS—Moldavian [Moldovan] President Mircea Snegur intends to denounce separatism in his planned address to the U.N. General Assembly, according to his statement at the airport before leaving for New York.

The president said that the consequences of separatist policy are very negative. Judging by actions of Tiraspol's leaders, the policy leads to violation of human rights and people's sufferings. Separatism is odious and must be denounced from the U.N. rostrum, he said.

The Moldavian president intends to dwell on problems which the republic faces, while creating a democratic and rule-of-law state and switching to a market economy.

Kazakhstan

Reportage on Nazarbayev Saudi Visit

LD2809170194 Almaty Kazakh Radio Network in Kazakh 1500 GMT 28 Sep 94

[Excerpts] The official visit of President Nursultan Nazarbayev to Saudi Arabia ended on 28 September. As a result of his visit, the two side agreed to strengthen mutual relations and cooperation in all sectors. [passage omitted]

On 27 September, Nazarbayev visited the blessed mosque of the Prophet Mohammed in Medina. On 28 September, the delegation departed for home. They arrived in Almaty late in the evening.

Holds Abu Dhabi News Conference

LD2809161294 Moscow ITAR-TASS World Service in Russian 0930 GMT 28 Sep

[By ITAR-TASS correspondent Vyacheslav Anichkov]

[Text] Abu Dhabi, 28 Sep—The first official visit to Saudi Arabia by President Nursultan Nazarbayev of Kazakhstan ended this morning. At a news conference in Jeddah on Tuesday, the president talked of his meetings with King Fahd, during which the two men discussed the situation in the Near East, Central Asia, Russia, Tajikistan, and Bosnia-Herzegovina, as well as various problems of mutual interest, and said they were held in a spirit of friendship and mutual understanding.

Speaking at the news conference, N. Nazarbayev noted that agreements were signed during his visit on economic, trade, technical, and cultural cooperation between the two countries, and an agreement on the development of contacts between sports and youth organizations. It was agreed to open embassies as soon as possible. This will enable Saudi and Kazakhstani businessmen and citizens to visit each other's countries. The opening of direct air communications and cooperation in the sphere of oil were discussed during the talks.

N. Nazarbayev added that he also met Saudi businessmen and discussed with them prospects for cooperation in the area of joint investment. The president added that he reached agreement with the Saudis on them assisting Kazakhstan with the construction of several schools and mosques.

Asked about western fears over the leak of radioactive materials from former Soviet republics, N. Nazarbayev stressed that such fears are groundless. The nuclear weapons left behind by the USSR have remained where they were, he said. It has been decided to destroy the missiles stationed on the territory of Kazakhstan. By agreement with Russia and the United States, these missiles will be removed from the republic. Kazakhstan has acceded to the Nuclear Non- Proliferation Treaty and this decision has been ratified by the country's parliament.

Asked what Kazakhstan has done to "shake off Russian rule," N. Nazarbayev said that for the past 70 years Kazakhstan was a part of the USSR, in which there existed a single economic space. After the collapse of the Soviet Union, the president noted, the former Soviet republics encountered numerous complex problems. The peoples of the USSR found themselves scattered across the new independent states. Social problems emerged. We want, N. Nazarbayev said, to create a single economic space and we support unification initiatives now emerging in the CIS.

Asked about the possibility of Kazakhstan joining the Islamic Conference Organization (ICO), N. Nazarbayev noted that he has no objections to this. However, he said, external and internal factors need to be considered when a decision is made. We have applied to the ICO for observer status, the president said. At the end of the news conference, N. Nazarbayev stressed his country's wish to rejoin the Islamic world.

Tajikistan

UN 'Technical Mission' To Arrive 'Immediately'

LD2809222394 Moscow ITAR-TASS in English 2020 GMT 28 Sep 94

[By ITAR-TASS correspondent Boris Sitnikov]

[Text] United Nations September 29 TASS—U.N. Secretary General Butrus Butrus-Ghali decided to immediately send a "technical mission" to Tajikistan for preparing a subsequent deployment of military observers there, Joe Sills, spokesman for the U.N. secretary general, told TASS on Wednesday.

According to the spokesman, the Security Council will discuss at closed-door consulations later in the day a report by the U.N. secretary general on the situation in Tajikistan. The inter-Tajik talks in Tehran between the current authorities and anti-government forces have resulted in a temporary cease-fire agreement at the Tajik border and inside the former Soviet republic. However, this agreement is to come into force only if U.N. military observers are stationed in Tajikistan.

In his report, the U.N. secretary general is expected to inform the Security Council about his decision to immediately send a technical mission to Tajikistan with a view to evaluate the possiblity of deploying a mission of observers there, Sills said.

TASS has learned that in his report on Tajikistan, Mr Ghali recommends to extend the mandate of a small group of U.N. officials, currently staying in this Central Asian state, for another four months and to reinforce this group with up to 15 military observers until the U.N. Security Council decides on setting up a new mission of observers in Tajikistan.

Peacekeeping Forces Commander Comments

LD2809210294 Moscow INTERFAX in English 1727 GMT 28 Sep 94

[Text] The arrival time for the U.N. military observers in Tajikistan is unknown, since it has not yet been decided by the U.N. leadership, the chief of staff of the Collective Peace-Keeping Forces deployed in Tajikistan, Cl.-General Grigoriy Bessmertny, said in an exclusive interview with Interfax on Wednesday.

According to him, the issue of where the observers will be stationed and what powers they will have has not been settled either.

The ceasefire agreement signed between government officials and opposition representatives in Tehran on September 17 cannot come into effect before their arrival. Meanwhile its validity expires the day before the presidential elections which are to be held in the country—November 5.

According to Bessmertny, the Collective Peace-Keeping Forces should be given the status of U.N. forces, since they "perform the functions of observers, and even more complicated ones." In this case "all these issues could be resolved faster and more effectively," he pointed out.

"The fact that peace-keepers are well acquainted with the situation in Tajikistan, and in the region as a whole, must also be taken into account," the Bessmertny said.

At present the state of affairs in Tajikistan is aggravated by the activity of illegal armed units, which have no "political tinge, and which commit purely criminal offenses. The main difficulty in dealing with such bands lies in the extremely difficult economic situation faced by Tajikistan," he said.

According to the information available to Interfax, the government's debt to the population in terms of wages, pensions and grants alone amounts to about 400 billion rubles. "The efforts to combat crime can hardly yield tangible results without resolving economic problems," Bessmertny said.

Group Outlines Alleged Human Rights Violations

LD2809114894 Moscow ITAR-TASS in English 1102 GMT 28 Sep 94

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe September 28 TASS—The international human rights organization "Human Rights Watch" has expressed serious concern over incidents of violation of rights of political prisoners and punishments administered by the Tajik authorities without trial.

A statement for journalists circulated today points to the death of the prominent Tajik religious leader Eshon Sayd Ashraf Abdullokhadov, former priest from the city of Kurgan-Tyube, who was kept in custody for nearly 16 months and was standing trial when he died. The human rights watch organization has appealed to the Chairman of the Tajik Parliament Emomali Rakhmonov, asking him to provide information about the cause of Abdullokhadov's death and the circumstances under which he died.

The statement points out that the 25-year-old prisoner Ismanbeck Dashatov died in prison on August 26.

Representatives of the Tajik Government and the opposition during a meeting in Tehran on September 17 signed an agreement on a ceasefire and agreed to simultaneously release political and war prisoners during the next month." The two recent incidents which occurred against the background of encouraging changes in Tajikistan have caused deep concern about the fate of a big number of political prisoners remaining in Tajikistan," said Executive Director of the Human Rights Watch Organisation, Jerry Laber.

The statement contains facts of armed attacks made in Dushanbe. On August 24, armed people who wore a uniform beat several people from the region of Yuzhny, including old-age people and children, searched houses without a warrant and detained eight people. Roman Mirzoyev, 25, detained on charges that two grenades were allegedly found when his house was searched, is still kept in custody. Both the Tajik Interior Ministry, and the Tajik Government have failed to give more concrete details about these incidents to representatives of the Human Rights Watch Organization.

The statement contains an appeal to the Tajik Government urging it to take measures to prevent violation of human rights of the Tajik people in future.

'So-Called Political Prisoners' To Be Released

MM2909101994 Moscow IZVESTIYA in Russian 28 Sep 94 p 1

[INTERFAX report: "Tajik Authorities Promise To Release All Political Prisoners Soon"]

[Text] In Tajikistan, "all the so-called political prisoners" on the lists submitted by the opposition will be released before 17 October, Abdulmadzhid Dostiyev, first deputy chairman of the republic's Supreme Council, stated in an exclusive interview Tuesday [27 September]. "As a signatory to the cease-fire agreement, I shall do everything in my power to ensure that all points of this condition put forward by the opposing side are fulfilled," he stressed. Dostiyev noted that the opposition has presented two lists of political prisoners' names. One list contains 29 names, the other—52. The vice speaker announced that when the lists were checked it emerged that not all the people included on them are actually in Tajikistan.

Olimov Meets Afghan, Pakistani Counterparts

LD2809185194 Dushanbe Radio Tajikistan Network in Tajik 1700 GMT 28 Sep 94

[Text] A correspondent from the Khovar news agency, was told in the Department of Information of the Ministry of Foreign Affairs of Tajikistan that Rashid Olimov, the minister of foreign affairs of the Republic, met in New York Sardar Aseff Ahmad Ali, the minister of foreign affairs of Pakistan.

As you know, Rashid Olimov is attending the 49th session of the UN General Assembly. In the course of his meeting with the minister of foreign affairs of Pakistan, Olimov discussed the issues relating to the inter-Tajik talks. The sides paid special attention to the results of the Tehran talks. They have expressed their satisfaction with the signing of the agreement on a temporary cease-fire and cessation of other hostilities.

The minister of foreign affairs of Pakistan said that the above-mentioned agreement is a serious step forward in the course of the inter-Tajik talks. The Government of Pakistan is ready to assist in hosting the third round of talks in Islamabad and hopes that these talks will give desired results to achieve national reconciliation in Tajikistan.

Similarly, Foreign Minister Rashid Olimov met with Lafra'i, the minister of state for foreign affairs of the Islamic State of Afghanistan, during the 49th session of the UN General Assembly. Issues relating to the situation on the Tajik-Afghan border and the ways it can be normalized were discussed during the meeting.

Rashid Olimov has expressed concern over the armed attacks on the Russian and Tajik border guards from the territory of Afghanistan and involving the (?citizens) of other states in these attacks. The Afghan minister of state for foreign affairs expressed his satisfaction with the signing of the agreement on a temporary cease-fire and cessation of other hostilities. He expressed the opinion that the government of the Islamic State of Afghanistan is decidedly determined to take measures to stabilize the situation on the border.

On the same day, Rashid Olimov met 'Ali Akbar Velayati, the minister of foreign affairs of the Islamic Republic of Iran.

Killers of Defense Officials Arrested

LD2809121394 Moscow ITAR-TASS World Service in Russian 0843 GMT 28 Sep 94

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe, 28 Sep—The law enforcement bodies of Tajikistan have stopped the criminal activity of a major gang, which was operating with impunity over the past several months in a number of Pamir regions of the republic. The grouping was surrounded by special militia subunits in the morning of 27 September not far from the village of Dzhafar in Garm district, about 180 km to the east of Dushanbe, the ITAR-TASS correspondent learned from Nikolay Madzhar, the chief of the directorate for the protection of public order of the Tajik Interior Ministry. Several bandits were detained, as well as their ringleader,local-born Ibragimbek Karimov.

The bandits were guilty, Madzhar said, of killing dozens of militia staff and representatives of local organs of power in Garm, Dzhirgatal, and Fayzabad districts. Since June this year they have killed six servicemen of the government forces and Ramazan Radzhabov, the deputy minister of defense of Tajikistan. Those arrested have already confessed nine crimes, including the armed raid on the motor vehicle carrying Defense Ministry servicemen. During the course of the investigation the motifs for the crimes committed are being established.

The Interior Ministry subunits are continuing the operation to detain the other members of the gang, which, according to those arrested, numbers about 50 men. Over the last month the law enforcement bodies of Tajikistan have neutralized 18 major criminal gang formations on the republic's territory.

Russian Commander on Conflict Escalation

LD2909113994 Moscow ITAR-TASS World Service in Russian 1025 GMT 29 Sep 94

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe, 29 Sep—The Tajik opposition continues to step up its provocative attacks against Russian border guards, in an attempt to improve its tactical position prior to the arrival of UN observers in Tajikistan. This was stated at a news conference today by Lieutenant General Anatoliy Chechulin, commander of the group of Russian border guards in Tajikistan. The news conference was also attended by Tajik Deputy Prime Minister Mahmadsaid Ubaydulloyev.

As has already been reported, opposition leaders have insisted that the temporary cease-fire signed in Tehran on 16 September should come into force only after the military experts arrive in the republic.

The reason for the news conference was the latest provocation by opposition guerrillas on the Pamir sector of the Tajik-Afghan border, which occurred on the evening of 28 September. According to the Russian commander, an antigovernment grouping of up to 150 men had escaped from fighting in Tavildara district via the Khabu-Rabot mountain pass. The guerrillas, who had been attacking government military outposts on the way, were halted by Russian border guards from the 5th outpost of the Khorog border detachment. The clash occurred in the Kalai-Khumb area of the Pamirs, not far from the Viskharv gorge. According to updated figures, 21 opposition guerrillas were killed in the fighting. A large quantity of arms and ammunition, including free-flight rockets, were seized. According to the latest information, one border guard was killed in the clash and a medical officer serving with the Kazakhstani border battalion was wounded.

At present, the commander stressed, the gorge where the remaining members of the antigovernment grouping have concealed themselves is blockaded by the joint forces of the border guards and detachments of the Gorno-Badakhshan self-defense forces.

The commander categorically denied rumors that local residents and their homes had suffered as a result of the clash.

Commenting on the military-political situation in Tajikistan, including the Tajik-Afghan border, Deputy Prime Minister Ubaydulloyev expressed regret that the Tehran cease-fire agreement, which had been signed, has not become a reality. He admitted that de jure the agreement should come into force after international observers arrive in Tajikistan. However, according to him, if the opposition genuinely wanted a cease-fire, there would have been no escalation of tension on the Tajik-Afghan border.

At the same time, the deputy prime minister expressed guarded optimism that, with the assistance of the United Nations, Russia, and other countries, the Tehran understandings would ultimately be implemented.

We are consistently defending the principle of finding a peaceful, civilized solution to the conflict among the Tajiks and will persist in continuing a dialogue with all opposition forces with an interest in civil peace and national reconciliation in Tajikistan, the deputy prime minister said.

Guards Killed in Clash With Islamic Opposition

LD2909091894 Moscow ITAR-TASS World Service in Russian 0809 GMT 29 Sep 94

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe, 29 Sep—On Wednesday evening, two servicemen of the Tajik Defense Ministry and one Kazakhstani border guard were killed and one Russian border guard wounded in a clash on a sector of the Tajik-Afghan border patrolled by men from the 5th outpost of the Khorog border detachment. ITAR-TASS was informed of this today by Major General Aleksandr Savchenko, deputy commander of the group of Russian border guards in Tajikistan.

Savchenko said that the command of the Russian border guards in Tajikistan regards this armed incident as a major new provocation by the hard-line Islamic opposition against the Russian border guards.

Maj. Gen. Savchenko described the details of what happened. He said that at about 1900 yesterday evening border guards from the 5th outpost, on patrol near the border village of Viskharv (in the Gorno-Badakhshan Autonomous Oblast), where Russian and Kazakh border guards are stationed, noticed a column of eight trucks carrying unidentified armed men. As they travelled along, gunmen aboard the trucks were firing at random. When an attempt was made to stop the motor column to find out about its route, the fighters tried to capture a border guards' detail. Thanks to a reserve, which arrived from the outpost, the column was blocked, but, when asked to lay down their arms, the fighters opened fire on the border guards and provoked a battle.

Savchenko expressed the supposition that Khakim-Banga's antigovernment grouping, with six trucks full of weapons, was following from Tavil'dara Rayon in the Pamir foothills to one of its strong points in the Viskharv Gorge in the Pamir foothills, which borders on central Tajikistan. Eighteen captured servicemen of the Tajikistan Defense Ministry were with them in the vehicles.

Sixteen servicemen were released by the border guards. Unfortunately, two servicemen died in the exchange of fire. One border guard from Kazakhstan died and one Russian border guard was wounded in the engagement. At present, border guards control the situation on Kalai-Khumb section of the Tajik-Afghan border in the Pamir foothills. Simultaneously, reserves from the group of Russian border troops in Tajikistan are being brought here.

Uzbekistan

CSCE Secretary General Arrives in Tashkent

LD2809154394 Moscow ITAR-TASS in English 1434 GMT 28 Sep 94

[By ITAR-TASS correspondent Vilor Niyazmatov]

[Text] Tashkent September 28 TASS—Wilhelm Hoeynck, secretary-general of the Conference on Security and Cooperation in Europe (CSCE), has arrived in the Uzbek capital of Tashkent.

He intends to discuss with Uzbek diplomats problems related to preserving peace and accord in Central Asia.

Tashkent will host a final session of a seminar conducted by the CSCE bodies in the former Soviet republics of Central Asia. Previous sessions were held in Kazakhstan, Kyrgyzstan and Turkmenistan.

IMF Grants $140 Million for Economic Reforms

LD2909100994 Moscow ITAR-TASS in English 0912 GMT 29 Sep 94

[By ITAR-TASS correspondent Vilor Niyazmatov]

[Text] Tashkent September 29 TASS—The International Monetary Fund has allocated 140 million dollars to Uzbekistan, Deputy Director of the IMF European Department Eduard Brau, who arrived in this republic, said. Commenting on this decision, he said, in particular, that the International Monetary Fund wanted to support economic reforms, which are being implemented in Uzbekistan, as well as the foreign and home policy of the Uzbek state.

Eduard Brau said also that Uzbekistan in contrast to some republics of the former Soviet Union doesn't have any external debts. According to him, this is a result of the republic's clear and consistnet policy in the sphere of economy and finances.

Visits Delayed For Lack of Funds

MK2809152094 Moscow SEGODNYA in Russian 28 Sep 94 p 4

[Report by Irina Gribova under the "Lack of Money" rubric: "Reception of Distinguished Guests Postponed"]

[Text] As has become known from a source close to the Republic of Uzbekistan Foreign Ministry, the planned visits to Tashkent by Russian President Boris Yeltsin and Prime Minister Viktor Chernomyrdin have been postponed. The reason is financial difficulties making it impossible for the Uzbek side to give the Russian leaders a welcome in line with Oriental custom. Also postponed indefinitely is a visit to the "city of bread" ["Tashkent, a City of Bread," title of a once popular novel] by Ukraine's new president, Leonid Kuchma. The reason is the same—lack of funds.

Ukraine's cash position must be better, and Kiev on 27 September welcomed an Uzbekistan Government delegation arriving to discuss a trade and economic accord. Already operating between both states are about 25 documents regulating bilateral cooperation. According to a senior official at Ukraine's embassy in Uzbekistan, neither of the interested sides, however, was in a hurry to sign an agreement in the field of trade and economy. Ukraine, in anticipation of a new full-weight national money to be introduced in Uzbekistan; Uzbekistan, in the hope for a favorable end to the political struggle in Kiev connected with the presidential elections. Taking account of the long-standing personal relations between Islam Karimov and Leonid Kuchma, the latter's victory, the same embassy official feels, quite suits Uzbekistan.

Persecution of Opposition Parties Denied

MM2909105794 Moscow TRUD in Russian 28 Sep 94 p 5

[Report by Valeriy Biryukov: "Uzbekistan: No, We Don't Persecute People for Thinking Differently"]

[Text] Radio Ozodlik (freedom) recently reported continuing persecution of members of the opposition in Uzbekistan. The radio station listed the names of a group of Erk (liberty) party members against whom criminal proceedings had been insitituted. The republic's deputy general prosecutor, Abdurashit Kadyrov, has in response issued his own interpretation of the facts and events. He states, in particular, that the investigations service knows of no cases of persecution of opposition parties.

Indeed, the deputy general prosecutor acknowledged, criminal proceedings had been instituted against a group of people which includes members of the Erk party. They are, however, charged with actions which are specifically punishable under criminal law. A certain Aushov, for example, was arrested on the territory of a neighboring state as someone wanted for a previous crime. It has been established that he and another arrested person—Dzhurayev—used false documents to organize the sending of a group of young people abroad to study business and market economics. In actual fact, as the deceived persons themselves testify, attempts were made to instruct them in hand-to-hand combat and give them special training for the commission of acts of sabotage on the territory of Uzbekistan. The investigation has established the names of members of this organization, places of secret rendezvous, and the location of training camps for gunmen on the territory of a Middle Eastern country.

The deputy general prosecutor did not name the country where the training camps are based but expressed certainty that they will not become a cause of any changes in Uzbekistan's bilateral relations with that state.

Armenia

Bagratyan, IMF Fail To Agree on Credit Terms

LD2809225094 Moscow INTERFAX in English 1927 GMT 28 Sep 94

[Text] Armenian Prime Minister Hrant Bagratyan and the IMF delegation failed to agree on the terms for a large credit which the IMF is expected to give to Armenia during the three-hour meeting in Yerevan today, well-informed sources in the Armenian government told Interfax. The talks will continue within 15-20 days.

The IMF delegation has been looking at the situation in Armenia for two weeks now. IMF experts spoke in favor of pursuing a tougher financial-credit and tax policy in Armenia, the Armenian government's press service told Interfax. In particular, they recommended that profit tax, value added tax and customs duties be significantly raised. The IMF delegation also insisted on freeing bread prices from state control.

According to some sources, if these conditions are observed the IMF will give Armenia a credit of about $800 million under preferential interest rates.

The Armenian government said the measures proposed by the IMF would lead to a sharp fall in living standards in the republic and hurt people who were already in a poor situation, as Armenia has already been subjected to a transport blockade for several years.

The IMF delegation left Yerevan on September 28.

Azeri Incursion on Northern Border Repulsed

NC2809193294 Yerevan Radio Yerevan International Service in Armenian 1615 GMT 28 Sep 94

[Text] The Armenian Defense Ministry Press Service reported that the Azerbaijani Army subunits intensified their military operations on Armenia's northeastern border yesterday. The enemy shelled the defensive positions of Chinari in Tavushskiy Rayon between 1500 and 1520 with mortars. Afterwards, the Azerbaijani Army formations launched an attack and infiltrated 150 meters into the border region around Aygepar at 1800. The Armenian border troops repulsed the enemy at 1910. There are no casualties on our side.

The same source reported that calm has been prevailing on the rest of the Armenian-Azerbaijani border since last night.

The Nagorno-Karabakh Republic Press and Information Department reported that the cease-fire is being observed on Karabakh fronts.

Vice President Meets With Iranian Envoy

LD2809223694 Tehran IRNA in English 2139 GMT 28 Sep 94

[Text] Moscow, 28 Sep (IRNA)—Armenian Vice-President Gagik Arutyunyan today in a meeting in Yerevan with Iranian Ambassador to Armenia Hamid-Reza Nik-kar [Esfahani], attached special importance to Iranian role in the region and asked for expansion of cooperation between the two countries.

In the meeting, the two sides reviewed Tehran-Yerevan multilateral relations as well as the role played by the two countries in solution of Karabakh crisis and the other regional problems.

Arutyunyan elaborated on his country's political and economic situations as well as the regional and Karabakh problems and called for expansion of cooperation between Iran and his country.

He expressed his country readiness to take "constructive steps" in its expanding relations with the Islamic Republic of Iran.

Nik-kar in reply, expressed Iranian readiness for expansion of relations with Armenia and said that no obstacle stands in the way of Tehran-Yerevan further cooperation.

Prime Minister Discusses Gas Supply Agreement

NC2809135794 Yerevan SNARK in English 1455 GMT 27 Sep 94

[Text] Yerevan, 27 September, (SNARK)—Negotiations on gas supply to Armenia from Turkmenistan have ended today in Yerevan. According to the reached agreement, daily gas supply will be at least 5 million cubic meters, which will cost Yerevan $120 million a year.

Armenia has to pay off Turkmenistan with its industry and technology targeted products, gold and other jewelry articles, plus hard currency, Armenian Prime Minister Grant Bagratyan told SNARK reporter.

Turkmenian delegation left today for Tbilisi. Later it will also visit Baku.

Meanwhile Turkmenian gas today started to be fed again to Armenia, after a three-day interruption caused by emergency in Uzbekistan.

New Russian Ambassador Arrives

NC2909082794 Yerevan SNARK in English 1349 GMT 28 Sep 94

[Text] Yerevan, September 28 (SNARK)—Today new Extraordinary and Plenipotentiary Ambassador of Russian Federation Andrey Urnov [spelling as received] has arrived in Armenia. A 57-year-old diplomat has replaced Vladimir Stupishin at this position.

Arriving in Yerevan, Andrey Urnov has stated SNARK reporter that replacement of Ambassador will not change attitude of Russia towards Armenia. "Our countries are tied with long-standing economic, cultural and other relations, which will go on developing", - said Russian Ambassador.

Azerbaijan

Aliyev Meeting in New York Reported

NC2909085394 Baku TURAN in English 1415 GMT 28 Sep 94

[Text] Baku (September 28) TURAN—A meeting of Azeri and Armenian presidents with mediation of the US permanent representative in the UN Madeleine Albright took place yesterday in New York.

The meeting lasted for two hours, but not any effective results had been obtained, according to TURAN correspondent from New York. The positions of the parties coincide in the necessity to continue political consultations and to keep to ceasefire. But both presidents stated that present situation is quite beneficial for settling the conflict.

The divergence of positions of both parties, as before, had principle character. Azerbaijan insisted on free of Shusha and Lachin regions and after that proposed the discussion of status of Nagorno Karabakh. Armenia stated about impossibility to free these regions prior to the discussion the status of the Nagorno Karabakh and provision the international security guarantees for the Armenians of Nagorno Karabakh.

"Such position of Ter-Petrosyan was some kind of declining from what had been obtained in Moscow on September 8-9," journalists were told by Gasan Gasanov, Azerbaijan's Foreign Minister. In Moscow Ter-Petrosyan's attitude to the idea of controlling the Lachin corridor by the international forces was positive told Gasanov. "But during yesterday's meeting we became the witnesses of that Armenian president tried not to discuss the problems of Shusha and Lachin at all," said Gasanov.

At the same time Armenian president was for location of peace-keeping forces in the zone of conflict along the present front line, and not along the perimeter of Nagorno Karabakh's border, as it had been stipulated before, according to minister.

Such position of Armenian president could not promote the resultness [as received] of the negotiations, said Gasan Gasanov.

"If Azerbaijan agrees with such proposals, that will mean the appointing [as received] of occupation of our lands," told Gasanov. At the same time the minister noted that both sides agreed to continue bilateral consultations. Position of Armenia could be changed during the next stages of negotiations, said Gasanov.

Further on New York Meetings

NC2809195894 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 28 Sep 94

[Report by Seyyad Akhbabali and State Adviser Gabil Guseyinli from New York—recorded]

[Text] [Akhbabali] During his New York visit, the Azerbaijani president is emphasizing bilateral contacts to discuss the principal issues vital to our country. One such meeting took place with Armenian President Levon Ter-Petrosyan at [U.S. Permanent Representative to the United Nations] Mrs. Albright's residence on 27 September. We will provide detailed information on the meeting during our next scheduled report.

The Azerbaijani president yesterday signed the international UN declaration on the protection of children. In this way Azerbaijan acceded to another international pact. (Pi Grant James), head of this organization, who was taking part in the signing ceremony, said in his speech that he is aware of the grave condition of children in Azerbaijan and by joining this organization our country might receive some support. President Aliyev briefed the head of the organization in detail on the refugee problem and pitiable condition of refugees, babies, and children resulting from Armenia's aggression. Stressing that more than 50 children are still being held in Armenia as prisoners, he said that Armenia is not adhering to international norms.

Geydar Aliyev received the foreign ministers of Germany, Norway, and Britain yesterday. In addition to the discussion of the development of interstate relations, a broad exchange of views was held during these three meetings on the regional situation and on the role of these states in the stabilization of the situation in hot spots. Stressing that the two [not further specified] countries are members of the CSCE, the Azerbaijani leader spoke on the urgent need for them to increase their activity to help find a solution to the Karabakh problem. A consensus was reached on enhancing the activities of the embassies and on broadening all the ties emerging in every sphere.

In a statement to Azerbaijani television in connection with the oil deal, Norwegian Foreign Minister Bjoern Tore Godal said that the signed agreement could not be questioned. If various Russian diplomats attempt such a thing, then the Norwegian Government is capable of obstructing such legally baseless claims. This view was also expressed by British Secretary of State for Foreign Affairs Douglas Hurd.

Aliyev then met the leading officials of Chase Manhattan Bank, which is a major and powerful bank. Extensive views were exchanged on the financial assistance to and investments in the Azerbaijani economy.

[Guseyinli] ...Azerbaijani president's meeting with U.S. President Bill Clinton is of special importance. A number of concrete issues were discussed during the meeting, and it is possible to feel that the US position on the Nagorno-Karabakh problem has changed considerably. It appears that the talks further clarified the U.S. position on the problem, and ways were sought to improve diplomatic relations between the two countries on the issue. It is noteworthy that after the meeting with Bill Clinton there was a feeling that moves would be made toward activating the CSCE Minsk Group and toward finding a speedier solution to the Nagorno-Karabakh problem within other international organizations. This could be felt during Azerbaijani President Geydar Aliyev's meeting with Jan Eliasson, chairman of the CSCE Minsk Group.

In short, the talks and conversations held in New York and bilateral diplomatic contacts once again confirmed that the solution to the Nagorno-Karabakh problem has now assumed an international dimension, and with its diplomatic efforts within this framework Azerbaijan has been able to secure the support of a growing number of states. All these things open up hopeful prospects for the near future.

Aliyev Meets With Clinton

NC2809140994 Baku TURAN in English 0432 GMT 28 Sep 94

[Text] Baku (September 27) TURAN—Today a meeting between Geydar Aliyev and Bill Clinton took place in New York. They discussed the issues of economic cooperation in respect of signing the oil contract and also the program of settling the Armenian-Azeri conflict, according to TURAN correspondent.

"Azeri-American relations will have a new impulse after that meeting and that is motivated by the oil contract," according Azeri Foreign Minister Gasan Gasanov. He said that Clinton appreciated signing the oil contract in Azerbaijan and expressed concern that he could not attend the signing ceremony.

Gasanov expressed the hope that a serious steps will be taken in the economic relations and that will positively affect the political relations of both countries.

Concerning the Nagorno Karabakh both countries expressed their opinion that the conflict should be settled politically within the CSCE framework, according to Gasanov.

"For continuing the negotiations the presidents agreed to meet in Budapest in December during the meeting of the CSCE heads," said Gasanov. Geydar Aliyev invited the USA president to visit Azerbaijan and the invitation was accepted with pleasure.

In conclusion Geydar, Aliyev told journalists that is was satisfied with the results of the talk during which "he informed the USA president about the Azerbaijan's position on economical and political issues."

Turkish-Armenian Relations Viewed

NC2909083794 Baku TURAN in English 1041 GMT 28 Sep 94

[Text] New York (September 28) TURAN—A meeting is to hold between Mumtaz Soysal, the Turkish Foreign Minister and Levon Ter-Petrosyan, the Armenian President. The subject of the meeting is the discussions of the Armenian-Azeri conflict. "If Armenia will agree the peaceful just conditions offered by Azerbaijan, Ankara is ready to establish diplomatic relations with Yerevan" said the high ranking Turkish diplomat. "And what is more Ankara will assist Armenia to drop out of the economic crisis" he added.

It is known that Baku is ready to give Karabakh a large autonomy only in the composition of Azerbaijan. Yesterday during Aliyev's meeting with Bill Clinton the Azeri President said that Azerbaijan is ready to offer the Lachin corridor under the control of the international forces.

On September 26 in the Stambul Airport the Turkish Foreign Minister Soysal Mumtaz stated that "if Armenians do not leave Lachin and Shusha regions, no conflict solution will be mentioned about".

Accuracy of Oil Contract Copies Doubted

NC2809141094 Baku TURAN in English 0432 GMT 28 Sep 94

[Text] Baku (September 27) TURAN—SOCAR's [National Petroleum Company of Azerbaijan] ex-president Sabit Bagirov doubts if the copies of oil contract distributed among the deputies for study, are in conformity with the original.

"That document is not a copy of the contract signed, as there are not the signatures of the parties. It seems to be the copy of the document discussed at the stage previous to the signing," TURAN was told by Sabit Bagirov.

The copies of the contract had been distributed among the deputies a week ago and according to Speaker Rasul Guliyev the document is to be ratified within a month in the Parliament. He also noted the lack of great number of economic data in the document.

Concerning other shortcomings he mentioned the obligation according to which SOCAR had to submit the guarantee of the first grade Bank about its financial capabilities prior the discussion of the document in the Parliament. It was very difficult to fulfill that task. Bagirov expressed the concern that for fulfilling that point Azerbaijan will have to sell part of its share in the contract in that project. It was necessary to eliminate some of these shortcomings for at least during the discussion in the parliament. Ex-president noted the necessity to discuss the issue concerning the status of the Caspian sea at the International Forum with participation of all interested states and representatives of international legal organizations. "I don't doubt that in such situation it will be difficult for Russia to motivate its position," noted Bagirov.

Report on Possibility of Strike by Oil Men

NC2909091694 Baku TURAN in English 1415 GMT 28 Sep 94

[Text] Baku (September 28) TURAN—Oilmen of Oil Producing Entity named after May 28 (OPE May 28) have prepared a letter addressed to Geydar Aliyev and Suret Guseynov, in which they express their dissatisfaction with the social and economic state, TURAN was told by Head of the Trade Unions Gurban Gurbanov.

He noted that if the government does not fulfill all the demands, the OPE will start the strike with political demands.

"We several times were promised that all our demands will be fulfilled but each tome they left unsolved. Last time, after a month of strikes the premier himself dealt with our problems. That time only food products and some necessary means had been allocated for us, but the wages have not been paid out yet, and it was not raised to the necessary level," said Gurbanov. Presently the oilmen demand the increase of wage to 100,000 manats (without coefficient).

"This time we will try to obtain the resignation of all senior officials, responsible for the situation which occurs in oil industry. If the dialogue is not obtained, that will touch the SOCAR's [State Petroleum Corporation of Azerbaijan] president and his deputies," said Gurbanov. He also said that the first conference of Striking Committee of the Entity will take place in October of this year and a final decision on the date and form of the strike will be adopted.

The Striking Committee for the first time appealed to the premier of the country, the leadership of the country and leaders of SOCAR on February 28, 1994. They demanded the increase of wages by 3 times, paying out the wages in time and provision the oilmen with food products.

The last strike of oilmen which began on July 28 was temporarily stopped on August 5, after the demands of oilmen had been fulfilled partially. That Entity is the largest department entering SOCAR. It produces 65% of oil produced in Azerbaijan and 90% of oil produced in offshore fields.

The workers of the Entity total more 1,500 employees.

Concerning the SOCAR's contract with the Consortium Gurbanov said that it was necessary that the oilmen get acquainted with the terms of contract, as that directly concerns them.

"We will oppose the implementation of the contract if that does not meet our requirements," said Gurbanov.

Guseynov on Meeting With IMF Officials

NC2809141594 Baku TURAN in English 0432 GMT 28 Sep 94

[Text] Baku (September 27) TURAN—Today Prime-Minister Suret Guseynov has met the delegation of International Monetary Fund (IMF) headed by the Director of the Second European Department John Odling Smee. "We intend consequently conduct economic reforms. If the IMF and other organizations help us, these reforms can be speeded up," noted Guseynov.

John Odling noted the fact the great economic potential of Azerbaijan. "We mean not only oil, but your agriculture, high level of education in the country, activity of owners, all that allows Azerbaijan to get credits from the IMF" said he. Odling reminded to Azeri premier that one of the main principles of IMF is not to give credits to warring countries. "But for the last time we can see the progress on the way to peace, that is why we can discuss the allocation of credit for Azerbaijan," noted Odling.

Experts from the IMF support the intention of Azeri Government to free prices for bread and energy sources.

Concerning the organization of foreign trade Odling noted that the government should interfere that branch as less as possible. All financial accounts [word indistinct] monetary fund, currency government budget and others should be consolidated into one, which is to be controlled by the National bank, noted Odling. It is necessary to stop issuing the credits to unprofitable enterprises for stabilization the rate of inflation, according to him.

According to information of IMF the unpaid debts of Azeri enterprises total many billions.

"That witnesses the weak work of your tax services," noted Odling. The execution of the provisions mentioned above, could decrease the budget deficit from 16% to 4%. "If the reforms should be conducted according to these principles, the IMF would be able to give a credit to Azerbaijan in the first quarter of 1995," he said.

Suret Guseynov said that liberalization of foreign trade has been conducting in Azerbaijan since the beginning of this year, besides the government is intending to implement the privatization program, the draft of which has already been prepared and submitted to the president of the country.

"We are going to conduct the privatization consequently and will begin from the sphere of service, traffic, incomplete construction, unprofitable enterprises. All these processes will begin from January 1, 1995," and can last for 15-25 years, noted the premier.

"Some forces of opposition try to represent the head of the government as opposing the economic reforms but it is not so in fact. I know by my experience what advantages has free enterprise," said Guseynov. The main thing is the social care of the population, registration of social and political consequences of the reforms being conducted.

Suret Guseynov noted that he agrees with all the terms of John Odling and for their implementation Azerbaijan will do its best.

New Political Party Established

NC2809193394 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 28 Sep 94

[Text] Another political party, Azerbaycan Khalk Partiyasi [Azerbaijan People's Party], has joined the ranks of many other political parties in our Republic. The founding congress adopted the platform and by-laws of the new party. Lawyer Ali Rizayev was elected secretary general of the party.

The party's aim is to help those political forces that want to defend our country's independence and territorial integrity and create a modern democratic state based on law.

Dzhafarov Group Said Behind Nakhichevan Arsenal

NC2809134994 Baku TURAN in English 1306 GMT 28 Sep 94

[Text] Baku (September 27) TURAN—Yesterday the police discovered three anti-tank devices (PTURS) [as received] and 20 rockets with them, besides these some 18 grenade discharge cups and 75 mines and 60 detonators near the area of Gunnut village of Sharur region of Nakhichevan. TURAN was informed by the press-service of the Interior that the arsenal found belongs to the grouping of Shahmardan Dzhafarov, who is the people's deputy.

Towards the end of August the police conducted an operation on the disarmament of the illegal armed grouping of Dzhafarov, which resulted with the death of two men. At the same time the PFA [People's Front of Azerbaijan] blamed the authorities on the armed provocation with the aim of PFA leaders' arrests in Nakhichevan.

In the early September the law organs of Nakhichevan appealed to the Supreme Majlis to give a sanction on deputy Dzhafarov's arrest. However, there is no positive response due to the inquiry.

Police Detain Nakhichevan Deputy

NC2809135494 Baku TURAN in English 1306 GMT 28 Sep 94

[Text] Baku (September 27) TURAN—Yesterday the Head of the Majlis of People Deputies in Dzhulfa region of Nakhichevan, Ramiz Tagiyev - deputy of Supreme Majlis of Nakhichevan was detained by policemen at the house of his relatives in Baku. Tagiyev is a member of the Azerbaijan's Popular [People's] Front [APF].

According to APF press-service the people who detained Tagiyev represented themselves as employees of the Department on the Fight Against Gangsterism.

Georgia

Shevardnadze Resignation 'Cannot be Ruled Out'

LD2809114094 Moscow ITAR-TASS World Service in Russian 1040 GMT 28 Sep 94

[By unidentified ITAR-TASS correspondent]

[Text] Tbilisi, 28 Sep—It cannot be ruled out that Eduard Shevardnadze will, after all, make a statement today concerning the issue of his resignation from the post of head of state, which was raised in parliament yesterday. According to information from the GIA agency, he may speak about this at the day sitting of the parliamentary majority, because the sitting of the Georgian Parliament announced yesterday for today was not held this morning.

Though Shevardnadze informed the parliament in writing on 27 September that he would consider the question of his resignation and would inform the parliament on 28 September of his decision on this issue, the head of state started his working day as usual today. In the morning he received Fereidn Haqbin, the Iranian ambassador to Georgia; after that he met the Turkmenian delegation. Issues concerning the renewal of the supply of Turkmen gas to Georgia were discussed.

Shevardnadze Not To Make Statement on Resignation

LD2809142894 Moscow INTERFAX in English 1149 GMT 28 Sep 94

[Text] Georgia's leader Eduard Shevardnadze will not make a statement on his resignation as head of state in parliament on Wednesday.

As Interfax has learned from well-informed sources, he decided so at a meeting of the parliamentary majority in Tbilisi late Tuesday night. The session opposed Shevardnadze's resignation.

A parliamentary spokesman said that since the meeting lasted till the late hours Tuesday, the next plenary session of parliament will take place Thursday, September 29.

On Tuesday Shevardnadze threatened to resign on Wednesday after deputies from the opposition strongly demanded his resignation. In a message to members of parliament, Shevardnadze stressed that elementary human dignity keeps him from "leaving each parliamentary session smeared in the mud."

At the session on Wednesday, the parliamentary majority intends to raise the issue on checking the activity of the political parties registered in Georgia.

In turn, the opposition plans to hold a rally Wednesday to protest against the policy of the current Georgian authorities.

In Tbilisi police sealed off all approaches to the city center Wednesday morning.

Shevardnadze on Possible Resignation

LD2809191994 Tbilisi First Program Television Network in Georgian 1700 GMT 28 Sep 94

[Interview with Georgian head of state Eduard Shevardnadze by unidentified correspondents on 28 September; place not given—recorded]

[Text] [Unidentified announcer] The fall in the world political arena is, as a rule, a hot and intense season.

[Shevardnadze] There were serious differences in views among the members of a parliamentary majority. A majority reckoned it is better to go back to the discussion of issues. In the long run, everybody agreed that it is desirable that everything which needs clarifying be clarified tomorrow, and that the people learn the truth about everything and everybody.

[First correspondent] Batono Eduard, how realistic is your resignation?

[Shevardnadze] Everything depends on tomorrow's session, on how the session proceeds, what the addresses are like, what are the platform of those who are demanding the resignation of the head of state. Maybe they have a more realistic program which is more acceptable to the people and the country? I will put it like this: Let them put forward a better alternative to what we are doing and then there is no problem for the head of state's resignation.

[Second Correspondent] Do you agree that the issue of authorities should be discussed tomorrow?

[Shevardnadze] I have never been against it, especially now that I have put forward this issue myself.

[Third Correspondent] Batono Eduard, do you think it is expedient to have a live TV transmission of tomorrow's session?

[Shevardnadze] Nothing is impossible. A recording is made [as heard]. Maybe it would be desirable. I have not thought about it. Maybe it would be desirable.

[Unidentified correspondent] [Question indistinct].

[Shevardnadze] Whoever facilitated the fall of Sukhumi pursued the aim that Shevardnadze should resign and that they should get rid of him. The initiators who started this noise yesterday had a similar aim to the one which they had when Sukhumi fell.

[Correspondent, in Russian] What does your resignation depend on? And will you resign?

[Shevardnadze] Sorry?

[Correspondent, in Russian] Will you resign, and what does your resignation depend on?

[Shevardnadze] Sorry?

[Correspondent, in Russian] Will you resign and what does your resignation depend on?

[Shevardnadze] It depends on those arguments with which the authors of this offer come up with tomorrow; those who participated in yesterday's famous session. It depends on the general attitude of deputies and it depends on me. [First Correspondent] Batono Eduard, will you visit the United States? [Shevardnadze] I have already decided that the foreign minister will lead the delegation. [First Correspondent] Will it not be detrimental to our country if you do not visit the United States? [Shevaranadze] Yes, it will be somewhat detrimental, but we must make those people who have introduced instability in our life [words indistinct] answerable for that. [Second Correspondent] The opposition will be trying to tie up the Abkhazian issue with the issue of the authorities? Do you think that parliament should discuss the Abkhazian issue first, and then the issue of the authorities? [Shevardnadze] The opposition which you have in mind will use every means, but yesterday and today I have once again made sure that they do not have the people's support. The people do not support them.

[Third Correspondent] Batono Eduard, do you think it is expedient that your supporters should come to the parliament building? Do you think it is expedient to hold this action?

[Shevardnadze] I never think it is necessary that additional forces should interfere when parliament is in session. It is enough for me what I feel from my people and the society. Batoni Aleksandre Javakhishvili [famous Georgian scientist] has made an address. He has the right to enter any forum as he is the conscience of our people. He expressed the view of all society.

[First Correspondent] Batono Eduard, you have said that you have not yet decided to participate in future elections. Did today's situation define your decision?

[Shevardnadze] I do not want either to calm my opponents or alarm them.

Shevardnadze Adopts Normal Working Practice

LD2809214694 Moscow INTERFAX in English 1927 GMT 28 Sep 94

[Text] Georgian Leader Eduard Shevardnadze worked in his usual mode Wednesday, his press office told Interfax. He received Iranian Ambassador to Georgia Fereidn Haqbin and a Turkmen Government delegation.

The two meetings focused on supplies of natural gas to Georgia. The Iranian diplomat assured Shevardnadze that Iran will start delivering gas to Georgia as of late October according to their previous agreements.

During Shevardnadze's meeting with the Turkmen delegation, an agreement was reached to resume the supplies of Turkmen gas to Georgia.

Dismal State of Republic's Economy Eyed

MM2809145394 Moscow IZVESTIYA in Russian 24 Sep 94 p 4

[Article by Anatoliy Gordiyenko: "Georgia on Its Knees Before Reform. Economic Reform"]

[Text] Tbilisi—The situation is as follows: In September-October Georgia "brings back to life" its dying economic complex, to which end it is beginning radical reforms—in which case it can count on serious credits from Western banks. Otherwise—no aid, and attempts to escape the crisis independently which are doomed to failure from the outset. IMF and World Bank experts have hinted fairly transparently: If things remain the way they are, no one will give Georgia any more money. Even "on the strength of Shevardnadze."

No one else, it seems—at any rate, on the territory of the former Union—lives the way Georgia is living today.

At the beginning of the year minimum pay in Georgia was fixed at 50,000 coupons. Converting this into more comprehensible denominations, this amounted in June to 120 Russian rubles [R] or 6.3 U.S. cents. July, and then August, presented an even more depressing picture: The 50,000 coupons guaranteed by the government lost almost half their value at once, and minimum pay stood at only 3.3 cents. Or R71. Per month. And a kilogram of the cheapest meat in the market (our stores have long since had no meat at all) costs R3,000, and no one will sell it to you for coupons. The same goes for potatoes, for which you have to pay R500-R600 per kilogram. To complete the picture, a few more figures: 1 kg of butter—R4,000-R4,500; a packet of salt—R800-R1,000; the same for a bar of laundry soap. One kilogram of sugar—R1,300, dried milk—R2,600.... And all this is the price in rubles. The National Bank of Georgia's coupon has virtually dropped out of circulation. Only a few state stores trade for coupons, but prices there come with such a lot of zeros in them that it would take a number of five-year periods to count your wages.

According to the data of the Committee for Socioeconomic Information, in the past year retail food prices in Georgia have increased by a factor of 87.8, prices of nonfood goods—by a factor of 482.2, and prices of paid services—by a factor of 385.

All the same, people still manage to live. Of course, you can see old men rummaging in garbage, and beggars have literally taken over all crowded, busy places in the capital. But the bulk of the population, nevertheless, lives a little better. How? It has been estimated, approximately of course, that around 80 percent of the republic's inhabitants are today engaged in trade. Some people dash around the near and far abroad and come back with their cars loaded with Snickers, sugar, flour, beer, pasta, and jeans. Some people bake in the sun, spreading out the family silver or bundles of nails directly on the sidewalk—everyone has something. Hot khachapuris [Georgian cheese pastries], Pampers, traditional handmade rugs, wrenches. Everything is for sale. And everything passes from hand to hand. That is—bypassing the state coffers. No one pays taxes.

Only a few pay for lighting, gas, and rent. The "Gruzgaz" state company once decided to increase tariffs on domestic gas pumps and automatic gas water heaters. And what happened? Not a lot—in three months only four families in the whole of Georgia paid for gas at the new rates....

In August, newspapers supporting the current leadership and radio and television undertook to explain the idea of the inevitably of reforms. Time and again the same theme has been raised in parliament and by Eduard Shevardnadze in his traditional Monday radio interview slot. We have not become so isolated from the people, he said recently, as not to understand what ordinary people will have to suffer when the liberalization of prices begins. But we have to hold on—three or four months, perhaps a little more. But then we will have everything: aid, credits, and investments. Having fulfilled the IMF's demands, Georgia will be able to set up a special stabilization fund for the introduction of a new, this time real, national currency—the lari. And this will be a firm, secured currency. There will be work, there will be a different life. It is worth being patient for the sake of this, I think.

The population has been prepared like a patient for an operation. There was a promise to issue each inhabitant with 200 grams of butter in September—after a six-month period without. And indeed, butter has appeared in the stores—not for free, but for 500,000 coupons per kilogram; but after all, this is 20 times cheaper than the price charged by private traders. Universal voucherization was announced, but there is still a holdup with this, it would appear: So far, it has not been determined how much such vouchers will be worth—whether around $10, or more. A directive of the head of state has been promulgated—on increasing minimum pay to 1 million coupons, and pensions and grants to 2.5 million. The directive indicated a specific date: This money should be issued to the population no later than 11 September.... It became clear that the old way of life would not continue much longer. And everyone would become millionaires.

The new prices and the new tariffs and rates were introduced 17 September. People, however much they had been prepared, were staggered. Bread prices, for example, increased on average by a factor of 300 to 200,000 coupons per loaf. A journey by public transport increased in price from 1,000 coupons to 50,000. Tariffs for municipal and consumer services increased sharply—tenfold—and electricity and gas tariffs were raised a hundredfold. And people were also warned that electricity would be supplied to residential areas according to a strict timetable for no more than five to six hours per day. But there are no restrictions on enterprises.

On the evening of the same Saturday Eduard Shevardnadze, who had returned from Novyy Afon, spoke on Georgian television and publicly offered apologies to the people for what had happened. What had happened is that once again people had been deceived. Not everyone, but many people: It turned out that not everyone had received the new million-coupon pay packets and pensions promised in the head of state's directive. Naturally, therefore, not everyone could buy the "new" bread at 200,000 coupons a loaf. Things did not reach the point of a bread riot, but the city authorities were given plenty to worry about: In one place after another indignant people blocked off the roads, and at one bakery a crowd almost tore to pieces the "bread truck" that had just drawn up. Shevardnadze ran into one such cordon on his way to work. He later said in his television address that it had come as a complete surprise for him that people apparently had no means of paying for even one loaf of bread. Reports from all quarters—from the government, from the town halls, from rayon authorities—had suggested that everything was in order, the money had been received and was being issued.

"There has been a 'freak occurrence'," Shevardnadze said, "for which, I promise, we will exact the most stringent penalities from those responsible. Even in the next few days some people will pay for this outrage with their jobs. Not everyone knows, perhaps, what a difficult problem it was to deliver to Tbilisi the necessary quantity of coupons (Georgian coupons are printed in France—A.G.). It was necessary to equip several planes and seek funds. And after all this you suddenly find that the money has not reached people. This is nothing less than sabotage. And we do not intend to put up with it."

But some people are already making attempts to suggest their own version to the stunned people: Prof. Guram Muchaidze, member of parliament and leader of the Georgian social democrats, is going from house to house in Tbilisi with his activists and, not relying on the power of his own vocal chords, is using a bullhorn to exhort the people of Tbilisi to, in essence, "take up the ax".... Rumors have spread through the city that the recent heroes of the anti-Gamsakhurdia putsch, Tengiz Kitovani and Tengiz Sigua, who recently broke with Shevardnadze once and for all, are gathering their supporters and preparing for something extremely serious.... Activists from the public movement "For Survival," who have long been seeking, without success, a national referendum in favor of the introduction of a rationing system in place of the radical reforms. [sentence as published]

But what if the now customary scenario for Georgia—rallies in spring and summer, rebellion in the fall—operates again?

Fighting Intensifies in Gali Rayon, Abkhazia

LD2809125294 Moscow ITAR-TASS World Service in Russian 1125 GMT 28 Sep 94

[By ITAR-TASS correspondent Anatoliy Yurkin]

[Excerpt] Moscow, 28 Sep—In Abkhazia's Galskiy [Gali] Rayon there has been a resurgence in the activity of terrorist gangs. On Tuesday in the village of Nabakevi, in the area where peace-keeping forces are stationed, a militia station came under automatic weapons and grenade launcher fire, the ITAR-TASS correspondent was told today at the press center of the Supreme Soviet of Abkhazia. Three militiamen were wounded.

On the same day another gang of saboteurs fired several grenade launcher rounds at a vehicle carrying a Gali Rayon militia detail. The bandits did not manage to hit the target, but in the village of Mukhuri a grenade hit a VAZ vehicle and as a result of which eight civilians were killed. [passage omitted]

Commission Views Protection for Returning Refugees

LD2809131194 Moscow ITAR-TASS in English 1241 GMT 28 Sep 94

[By ITAR-TASS correspondent Irina Shegoleva]

[Text] Sochi September 28 TASS—"The existence of terroristic groups which broke through to Abkhazia from the Zugdidi area in Georgia is the main obstacle which might impede the process of the return of refugees," said First Deputy Chairman of the Abkhazian Council of Ministers Leonid Lakerbaya. Lakerbaya leads an Abkhazian delegation to the session of a qaudripartite commission on the problem of the return of refugees and displaced people to Abkhazia.

"We are prepared to look into documents of all those wishing to return to Abkhazia," Lakerbaya told ITAR-TASS before the session began its work today. In Lakerbaya's opinion, at the first stage applications from no more than 200-300 people a month should be accepted. Lakerbaya expressed apprehensions that alongside the beginning of the process of refugee return subversive groups and formations which broke to the territory of the Gali region might step up their activities.

During the session the commission is planning to look into a document on measures ensuring the safety of those expected to return and outline the tasks of local quadripartite commissions.

Head of the Russian delegation, a representative of the Russian Foreign Ministry Andrey Nikiforov, said that substantial differences on a number of problems remain between the Georgian and Abkhazian sides. In particular, the Abkhazian side insists that ensuring the safety of people returning to the territory of the Gali region is the prerogative of the Abkhazian side and categorically objects to any presence of Georgian policemen or the military in Abkhazia and joint patrolling of the settlements of the Gali region as well.

Envoy to UN Meets President Clinton

LD2809203994 Tbilisi Radio Tbilisi Network in Russian 1610 GMT 28 Sep 94

[Text] After the routine plenary session of the United Nations ended, Petre Chkheidze, Georgian ambassador to the United Nations, met Madeleine Albright, U.S. ambassador to the United Nations, and U.S. President Bill Clinton, who said he was satisfied with the results of the U.S. delegation's visit to Georgia. He expressed interest in the status of refugees and in other current problems in Georgia.

The Georgian envoy—on behalf of the head of the Georgian state—briefed the President on the complex economic situation in the republic. Mr. Clinton said that he was well aware of the problems that the head of the Georgian state was facing and asked Mr. Chkheidze to pass on to Shevardnadze a message that the U.S. administration was handling the situation in Georgia with special care and would keep taking measures to help overcome these difficulties.

Messrs. Warren Christopher and [Ambassador at Large] James Collins were present at the meeting with the President. Mr. Collins stressed that the aforementioned issues, which had been raised by the head of the Georgian state, were being dealt with intensively and added that they would have been resolved by the Georgian leader's visit. [signed] The press secretariat of the head of state.

Turkmenistan To Freeze Georgian Gas Debt

LD2809162694 Tbilisi IBERIA in Georgian 1540 GMT 28 Sep 94

[Text] Tbilisi, 28 Sep—A delegation from Turkmenistan, which includes Vice Premiers Rejep Saparov and Valeriy Otchertsov, today visited head of state Eduard Shevardnadze. As is known, Georgia owes Turkmenistan $400 million. However, the Turkmen authorities have adopted an understanding attitude toward the complex situation in Georgia.

Valeriy Otchertsov stressed that, as a sign of respect for the head of the Georgian state, Turkmenistan has kept its promise to supply our republic with natural gas, and has fulfilled the promise by 106 percent, whereas other republics have received only 60-70 percent of the promised gas. Turkmenistan has kindly agreed to freeze old debts and keep supplying us with natural gas on the basis of a barter exchange.

Agrees To Resume Gas Supplies

LD2809211194 Moscow ITAR-TASS in English 1904 GMT 28 Sep 94

[By GIA correspondent for TASS]

[Text] Tbilisi September 28 TASS—Turkmenistan has agreed to resume gas supplies to Georgia in the full volume, Turkmen Deputy Prime Minister Valeriy Otchertsov told Georgian head of state Eduard Shevardnadze on Wednesday.

Together with another Turkmen Vice-Premier Redzhep Safarov, he discussed with Shevardnadze a scheme for Georgia's debt repayment for earlier gas supplies worth 400 mln dollars.

Otchertsov stressed that Turkmen authorities were well aware of the current complicated situation in Georgia and were doing their utmost to support its leader Eduard Shevardnadze.

Tbilisi Electricity Outages Due to 'Subversive Act'

LD2809161894 Tbilisi IPRINDA in Russian 1455 GMT 28 Sep 94

[Text] Tbilisi (IPRINDA)—On 28 September, parts of Tbilisi were without electricity. Temur Shonia, deputy chairman of the Georgian Power Department, said in a conversation with the IPRINDA news agency that, according to preliminary data, the power cut had been caused by a subversive act that occurred at the high voltage transmitter in the Stavropolskiy Kray. The power cut caused the stoppage of the Tbilisi subway. Two hours later, by using local reserves, power supplies were restored.

Deputies 'Physically Abused' Outside Parliament

LD2809141494 Tbilisi IBERIA in Georgian 1310 GMT 28 Sep 94

[Text] Tbilisi, 28 Sep—The people who gathered outside the Georgian Parliament building this morning, including Revaz Amashukeli, a member of the Citizens' Union [party founded and led by Shevardnadze], have physically abused member of parliament Tamar Chkheidze and other representatives of the parliamentary opposition. Attempts were made to prevent them from entering the parliament building.

Latvia

Commission on Russian Withdrawal Ratification

LD2809214494 Moscow INTERFAX in English 1927 GMT 28 Sep 94

[Text] The Commission for Foreign Affairs has recommended to the Latvian Saeima (parliament) that they postpone the ratification of the Russian-Latvian agreement on the conditions of the withdrawal of Russian troops from Latvia. This statement was made by the commission's chairman, Aleksandr Kirsteins, at a briefing in Riga Wednesday. The parliament planned to consider the issue Thursday, September 29.

According to the commission, it would be better to consider the issue in October in order to syhchronize it with the ratification of the agreements by the Russian State Duma.

Kirsteins believes that the withdrawal of Russian troops from Latvia that was ended on August 31 "cannot be considered complete, because mass disbanding of military units and demobilizing of servicemen took place on the territory of Latvia after January 28 1992, when the Soviet Army was transferred under Russia's jurisdiction." According to the Latvian side, about 4,000 such servicemen still remain on Latvian territory, though they were meant to leave the republic before August 31 according to the agreements.

Russia gave Latvia a list of 1,115 such persons and asked to grant them temporary residence until the end of the year. Russia promised to find them homes in Russia within this period.

President Addresses UN General Assembly

LD2809202394 Riga Radio Riga Network in Latvian 1930 GMT 27 Sep 94

[Speech by President Guntis Ulmanis to the UN General Assembly session in New York; broadcast in progress—live]

[Text] ...UN measures for maintaining international peace and security and attempts to improve welfare of the whole of society and of each individual are evidence of that. The process of preserving and maintaining peace and security in the world was thoroughly analyzed in the report by the UN secretary general—the peace plan, which was made two years ago. Debates on mechanisms of preventive diplomacy and of maintaining, strengthening, and preserving peace have developed widely since that time. It was preventive diplomacy that undoubtedly promoted the tackling of a very important and complex issue for Latvia and for the whole of Europe—the withdrawal of foreign troops from the territory of the Baltic states.

Mr. president, I would like to report to the General Assembly with satisfaction that the resolutions unanimously passed in 1992 and 1993 on the complete withdrawal of foreign troops from the territory of the Baltic states have in general been complied with. The last formations of the Russian armed forces left Latvia and Estonia at the end of August. With this, World War II has also ended in the Baltic states.

Our bilateral talks with Russia have lasted for more than two years and ended this spring with the signing of agreements, the ratification of which has already been included on the agenda of the Latvian parliament. I can say with full confidence that the international demand for withdrawal of the Russian armed forces has played an important role in the successful tackling of this lingering issue. The withdrawal was unanimously demanded by the United Nations and by the Conference on Security and Cooperation in Europe [CSCE]. We believe that such an approach may serve as an example for tackling other painful world problems and are ready to take part in it using our experience.

These two international organizations will have a special role in the future process of compliance with the agreements. The Latvian- Russian bilateral agreement on the status of the Skrunda radar station stipulates that any attempt to tackle disputes and differences of opinion related to this agreement threatening the use of force or using force will be considered a threat to peace and international security, which will then be considered by the UN Security Council. CSCE representatives for their part will be observing the process of compliance with the agreement and watching how the sides carry out their duties and obligations.

However, the potential of preventive diplomacy has not been exhausted in the Baltics. Security of the Baltic region still remains a topical problem. President Bill Clinton visiting Latvia this summer stressed that the sovereign and independent Baltic states should continue not to be included in a sphere of influence of any state. It should be noted that the foreign policy of the Clinton administration has also played an important role in tackling tangles in the talks on the Russian army withdrawal from Estonia and Latvia.

I am willing to call to mind that a Russian radar station will remain at Skrunda in Latvia for another five and a half years that the Paldiski nuclear reactor will remain in Estonia and that intensive Russian army transit traffic is going through Lithuania to Kaliningrad where the concentration of armed forces is already high at the moment. This is altogether a risk factor which creates a potential threat to the security of the Baltic region, I would say to all the states of the Baltic Sea basin. Baltic security, then, in many respects is a guarantee of peace and stability in Europe. The Baltic states are already discussing the possibility of tackling this important issue and I hope that the UN member states will pay their most serious attention and interest to this.

Mr. president, the withdrawal of troops has ended a significant dialogue between Latvia and Russia. Thanks to support from many states and international organizations, the Latvian land is now free from the presence of the foreign army. However, if the two sides engaged in the talks had not shown the foresight and the high degree of political culture, it would have not been possible to speak from this tribune today about social peace and toleration in Latvia, neither would we be able to speak about which countries have now one problem less.

Meeting President Yeltsin this spring, I became convinced that in tackling this problem he was guided by good will. In 1995, Europe and the whole world will celebrate the 50th anniversary of the allies' victory over the Nazi regime. Latvians were also fighting against the Hitler occupation, believing that an independent Latvian state would be restored after a victory by the allies. However, at the time when many nations were taking breath after the end of the Nazi occupation, the Baltic states once again fell into the Soviet totalitarian empire. Deportations of hundreds of thousands of innocent people and the systematic extermination of the Latvian state and people's identity began at the moment when everywhere else in the world the defeat of the Nazi regime was being rejoiced.

The Latvian land and people are victims of both regimes—Nazi and Communist. It would be fair if the new, democratic Russia, which has played a crucial role in the destruction of the Soviet empire of evil, were to make an assessment in its talks with Latvia of the Soviet Union's actions against Latvia in 1940. The signing of documents containing truth between the two states would rule out any petty feelings of psychological revenge and would give satisfaction to the victims and martyrs of the totalitarian regime in the two countries. Documents containing truth would make relations between people of different nationalities in Latvia even more harmonious and, in our opinion, would [words indistinct] unnecessary weight from Russia's unenviable burden of succession. There are examples of how to do that. Documents jointly drafted by Russia and eastern European states carrying the signatures of the presidents of those states have drawn the line under the legacy of the past, which was also a burden on the Russian public.

We believe that without an objective assessment of the events of 1939 and 1940 it is impossible to understand in full the consequences of the Soviet occupation. However, Latvia faced them, they are fateful and are still influencing political, economic, and social developments in the country. No other country lost almost 40 percent of its native population in World War II. In no other European country in the postwar period, did the native population become a minority in the seven largest cities of the country, including the capital. In no country did such a massive movement of inhabitants to Latvia and deportation of native residents from Latvia occur. The virtual disappearance of the Latvian language was real, even though it has survived for 4,000 years and has carried through those years a unique collection of the people's folklore—more than a million folk-songs.

We are willing to preserve the Latvian historical and cultural heritage because Latvians can only preserve their national identity in this small corner on the Baltic Sea. Latvians have never asked for another living space and will never do so.

Mr. president, I would like to devote a few words to the need for regional cooperation in the world. As has repeatedly been proved in the history of mankind, geographically and historically close countries managed to create close unions thus enriching and promoting mutual development. The Baltic Parliamentary Assembly has been created since the restoration of independence and this month the Baltic Council of Ministers, which will be coordinating our states' stances in foreign policy, trade, legislation, and many other important spheres, began its work. Thus, a stable and active association of the Baltic states has come into being. At the same time, an evolutionary process, which will drive us toward an expanded European Union with a dynamic and active Nordic-Baltic dimension, is organically continuing. The model of regional cooperation in northern Europe, for which Latvia is now striving, is three Baltic states and five Nordic countries.

Being aware of the importance of the role played by UN peacekeeping forces in maintaining world peace and security, Latvia, together with its neighbours—Lithuania and Estonia—has set up the Baltic battalion which will be able to carry out certain peacekeeping duties of the Security Council in the future. Considerable assistance in the creation of the Baltic battalion has been rendered by the Nordic States, the United Kingdom, and the United States of America. We consider that in this way the three Baltic states are making their contribution to the aims for the achievement of which 184 countries of the world have joined the largest and most influential international entity—the United Nations Organization.

During the Cold War, many borders were drawn across the Baltic Sea. Now the Baltic Sea does not divide countries, but rather it unites them. Five years ago the Baltic way, from Tallinn to Vilnius, symbolized a way of unity—toward independence and democracy. Now this way has also regained its historical and economic meaning for our region. At the turn of the century the Baltic way will already hold a stable place in the global circulation of information.

Allow me to assure you that Latvia will do all it can so that the work of peaceful cooperation and understanding and mutual trust and tolerance reigns on the shores of the Baltic Sea.

Mr. president, international peace and security and peaceful relations between countries are inseparably linked with economic and social development. Since the end of the Cold War, nations have had new opportunities to pay increased attention to these very issues. The UN secretary general has made a report—the Development Plan. Latvia has entirely welcomed the initiative which marks a historic turn in the work of the United Nations. From an international forum where interests of states were represented first of all, the United Nations is becoming a representative and defender of human needs. Economic and social development promotes the security of each inhabitant of our planet.

In my opinion, the United Nations and each member state have to realize that not only is a coalition for democracy needed, but also a coalition to fight against organized crime, against the proliferation of nuclear arms, and against the distribution of drugs. Without effectively tackling these problems, the security of each inhabitant of our planet and the development of each country and community are threatened. I am calling on the United Nations to consider the possibility of calling a high-level meeting to tackle the above-mentioned problems.

Many constituent parts of the United Nations system and, first of all, the development program deal with promotion of economic progress. Therefore, one of the aims in implementing tasks included in the development plan is to simplify, renew, and integrate the system of this organization. Latvia is among those countries whose economy and state and public structures are undergoing a transitional period. Effective UN assistance to such countries willd permit the overcoming of the transitional stage more quickly, so that they will soon become donor countries.

The concept of development is a very wide one. It comprises social and economic progress, fairness and democracy as a basis of society, of human rights, and of environmental protection. If the world is no longer threatened by the danger of a global war, then the possibility of an ecological catastrophe is still not averted. Therefore, I once again wish to assure that Latvia adheres to its proposal made at the conference in Rio de Janeiro to hold a world summit conference before the end of the century at which countries will undertake to use all funds freed from armaments for long-term development, especially for cleaning up the environment wrecked by militarism and for environmental protection. This conference may gather in Jurmala, a Latvian resort town on the Baltic Sea.

Mr. president, it follows from what has already been said that I consider world conferences and meetings held in the UN framework as being particularly important. Being a member of the bureau of the organization committee, Latvia is actively involved in the preparation of the conference on world social development. In addition, Latvia is one of those few countries the head of whose delegation will be a deputy chairman of that conference. Every world conference is a concrete reflection point for world countries to sum up and compare the experience accumulated.

The issue of implementing resolutions of conferences both in international and national dimensions still remains topical. I would like to make known today that by implementing the recommendations and guidelines of the UN world conference on human rights which took place in 1993 we have done everything that was called for at that conference. In its plan of activity the conference called on countries to set up and strengthen national institutions for the protection of human rights. It recommended that each country consider the possibility of adopting a national action plan for promoting the protection of human rights. Latvia proved its adherence to UN principles and its readiness to implement recommendations of the conference in March this year thus creating the post of minister of state for human rights and setting up a government working group for the protection of the rights of the individual allocating the necessary funds for this purpose.

We consider that a larger part of the UN budget will have to be allocated for the protection of human rights in the world. Responding to a request from the working group, a high-level international mission, organized by the UN development program, visited Latvia this July. The mission included representatives from various international organization. The mission was giving consultations to Latvia on the creation of a national programme for human rights. At the invitation of our state the UN high commissioner on human rights will be visiting Latvia this October.

I am proud today that Latvia is one of the first states which has shown its sense of responsibility by creating a national program for the protection of human rights. Latvia is ready to consider and share its knowledge and experience with all the countries which are interested in it.

We support Russian President Boris Yeltsin's proposal expressed at this General Assembly session to include in each state's legislation principles enshrined in the UN declaration on rights of national, ethnic, religious, or linguistic minorities. At the world conference on human rights, Latvia already called for the creation of standards for rights of minorities and persons without citizenship and mechanisms for their implementation.

Mr. president, previous activity in the field of human rights has an historic basis. Before World War II, being a member of the Presidium of the League of Nations, Latvia created harmonious ethnic relations within the state. We have striven to revive and cultivate this good tradition even today. Immediately after the restoration of independence, Latvia acceded to all the main international documents in the human sphere. As I have already pointed out, at present intensive work is going on to create a national human rights program so as to provide equal rights to every individual and opportunities to defend them. In my view, the very concept of equal opportunity describes not only the basic rights of each individual, but it is also a precondition for development. Latvia has always been open to cooperation with the United Nations Organization, with the CSCE, and with other international organizations. Latvia has demonstrated this once again by adopting the citizenship law.

In its preparation, account was taken of the recommendations of both the CSCE and the Council of Europe, and its adoption has been appreciated by these organizations.

Mr. president, the need has developed to rationalize and improve the work of the United Nations. Latvia is taking an active part in exchanging views to achieve the optimum solution to this problem. Latvia supports widening the composition of the Security Council, seeing in it a just opportunity to increase the role of small countries in making important decisions for the world. Latvia also favors improving cooperation and coordination between the United Nations and other international organizations: the Conference on Security and Cooperation in Europe, the European Union, the Council of Europe, and others. We welcome and support the initiative of the UN secretary general in introducing a new, effective system of accounting and responsibility, as well as the suggestion from the United States to establish an internal monitoring service.

Mr. president, Latvia especially supports the (?the intention) to reform the calculation of membership fees in the United Nations, strictly observing the principle of ability to pay. It will assist in improving this organization's parlous financial situation and will allow a just solution to the question of membership fees for Latvia and many other countries. Although Latvia is still feeling the inevitable pains of a period of transition in the economic and social sphere, our country is striving to fulfill its international obligations and duties. But contrary to generally accepted UN practice, Latvia's current membership fee is calculated ignoring the country's real ability to pay. The basis, instead, is taken to be the membership fee of the Soviet Union, a country that does not exist.

Latvia has consistently and inexorably stated—even in a letter to the secretary general in 1992—that it was incorporated into the USSR by force and, therefore, is not and cannot be an heir to the rights and duties of the Soviet Union. Latvia expects that the General Assembly, at this session, will continue to settle this problem, observing the principle of sovereign equality in determining countries' membership fees. We believe that no less important is the principle of universality in the United Nations.

Mr. president, next year the world will celebrate the 50th anniversary of the foundation of the United Nations. Latvia, too, has started preparing for this noble jubilee. It has undertaken that at the celebration concert here in New York, the Riga Cathedral Boys' Choir will take part. It will have a deeply symbolic sense as well, as the next generations will continue to create the fate of the world's nations. And in (?just this) sense it will determine the inheritance left by us to our descendants; we must do everything to bring nearer a time when nation will not wage war against nation, but will work all together against the darkness. These words, drawn from the depths of our nation's wisdom, best describe the essence of the United Nations, now and in the future. Thank you, Mr. president.

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